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Rising Jobless Rate Stirs Recession Fears in Japan

Unemployment Hits 3.2% in April As Strong Yen Batters the Economy

By Andrew Pollack
New York Times Service

TOKYO — Japan's unemployment rate has risen to an all-time high, the government announced Tuesday, adding fuel to fears that the world's second-largest economy is slipping back into recession as it enters an era of higher joblessness.

The 3.2 percent unemployment rate in April was up from 3 percent in March and the highest level since current records began to be kept in 1953. The previous high was 3.1 percent, recorded in May 1987, during an economic slowdown caused by the sharp appreciation of the yen after the 1985 Plaza Accord.

Economists said the unemployment rate was likely to rise further in the coming months because the recent surge of the yen has once again weakened an economy that a few months ago had seemed on the verge of recovering from a three-year slump.

"This is the beginning of a new era, of a new cycle," said Jesper Koll, chief economist for J.P. Morgan in Tokyo. He predicted that unemployment would reach 4.3 percent in about a year.

Japan's joblessness rate is low compared to the 5.8 percent recorded in the United States in April and European rates that range from 6 percent to 12 percent or even higher. A rise to 4 percent or 3 percent is not likely to tear apart Japan's strong social fabric.

Still, an increase would be a psychological blow to a country that has prided itself on providing virtually full employment. Japan's government and its leading companies have "sort of been committing ourselves to defending the 3 percent unem-

ployment rate with honor," Hiroshi Okuda, an executive vice president of the Toyota Motor Corp., said recently.

Rising unemployment could bring added pressure on Japan's already unpopular and fragile coalition government, which is hobbled by internal fighting and a lack of strong leadership from Prime Minister Tomiichi Murayama.

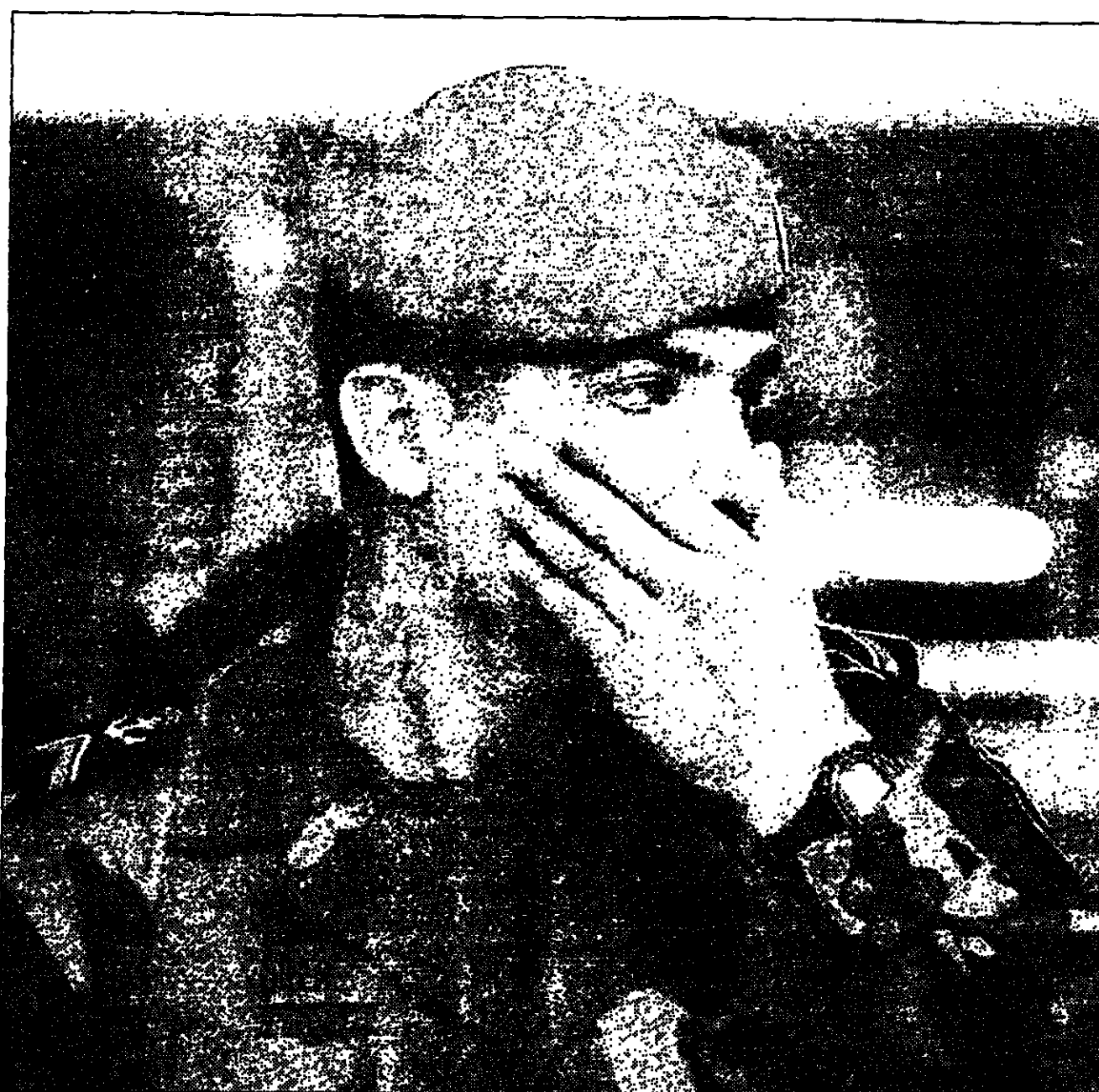
Unemployment is hitting young workers the hardest. Among people aged 15 to 24, the unemployment rate is 6.4 percent for men and 6.8 percent among women.

That is because Japan's lifetime employment system preserves jobs for those who already have them, forcing companies to cut costs by curtailing hiring of graduating students. April is the time when graduating students enter the work force, but this year, about 160,000 could not find jobs.

The fear of spreading unemployment is one factor behind Japan's hard-line stance in automobile trade talks with the United States. Japanese auto companies are reluctant to purchase more American parts because that could hurt already-struggling Japanese parts suppliers. (But if Washington places 100 percent tariffs on imports of Japanese luxury cars, that too will lead to job losses in Japan.)

The rise in unemployment has been caused by a decline in manufacturing jobs, as the high yen reduces production in Japan or forces Japanese companies to relocate overseas. In April, manufacturing employment was down 3.6 percent, or 350,000 jobs, from a year earlier.

The Labor Ministry said Tuesday that there were only 65 jobs for every 100 job-seekers in April, down from 66 jobs in March.



A French UN soldier wiping tears Tuesday during a ceremony in Sarajevo for two comrades killed in a clash with Serbs.

Doubts Beset NATO, but It Vows to Aid UN in Bosnia

Foreign Ministers Call For Release of Hostages And Affirm Readiness

By Rick Atkinson
and Michael Dobbs
Washington Post Service

NOORDWIJK, Netherlands — Foreign ministers of the North Atlantic Treaty Organization on Tuesday urged the United Nations to strengthen its crumbling operation in Bosnia and pledged to use the alliance's military muscle to help reinforce the beleaguered UN forces there.

They also demanded that the Bosnian Serbs release the hundreds of UN soldiers they have taken hostage and reaffirmed a readiness to use NATO air power if requested to do so by the United Nations.

The meeting at this Dutch seaside resort convened only hours after the United States and major European powers had agreed to a "dual track" strategy of bolstering the UN force in Bosnia while trying to persuade President Slobodan Milosevic of Serbia to abandon the Bosnian Serbs.

"We condemn in the very strongest terms the utterly despicable behavior of the Bosnian Serbs," the secretary-general of NATO, Willy Claes, said after the ministers' meeting. He said NATO will not be intimidated, adding: "We remain ready to use all means to support the United Nations."

Beneath the alliance's tough talk, however, lay potential cracks, as well as doubts about whether the major powers have the resolve to recapture the initiative in the Bosnian morass. NATO leaders, including Mr. Claes, refused to specify the consequences to Bosnian Serbs if they ignored the NATO demand that they release the hostages.

Foreign Minister Douglas Hurd of Britain, suggesting that future moves are contingent on first solving the hostage crisis, said: "I don't think there's a likelihood of air strikes in the immediate future."

He also voiced skepticism about a deal with Mr. Milosevic under which the government of Serbia would recognize Bosnia's territorial integrity in return for the suspension of international sanctions against Yugoslavia. (Page 9)

But the U.S. secretary of state, Warren M. Christopher, announced that a special U.S. envoy, Robert Frasure, will be returning to Belgrade on Wednesday for further talks with Mr. Milosevic. Although U.S. officials have described the plan as "85 percent complete," they played down expectations of an early breakthrough. "The last 15 percent is always the hardest," Mr. Christopher said. Mr. Christopher said that the U.S. strategy was aimed at exploiting political divisions between Mr. Milosevic, who is believed to be tiring both of a war that has wreaked havoc on the economy and of the hard-line Bosnian Serb leader, Radovan Karadzic.

"We want to isolate Karadzic," Mr. Christopher said. "We want him to think it is a rather lonely world out there if everyone else is for the peace plan."

A U.S. official said that the international Contact Group responsible for finding a negotiated settlement in Bosnia had come up with "some different formulas" for several disputed elements of the peace plan in an attempt to satisfy Mr. Milosevic. After more than 30 hours of face-to-face talks with Mr. Milosevic, Mr. Frasure has concluded that his acceptance of the plan will depend in large measure on domestic Yugoslav politics and his rivalry with Mr. Karadzic for leadership of the Serbs.

The Bosnian crisis overshadowed the main business of the NATO meeting: reviewing progress toward creating a new European security arrangements in the wake of the collapse of communism and the end of the Cold War. The ministers said that plans for the alliance's eastward expansion remained on track, despite strenuous opposition from the Russian president, Boris N. Yeltsin. At the same time, they formally welcomed Russia as a new member of the Partnership for Peace, a military cooperation program between NATO and its former Warsaw Pact adversaries.

Mr. Christopher said that Russia was crossing a "new threshold" in its relations with NATO and was moving "toward integration" with the rest of Europe and "away from isolation."

Moscow's Dismal Record Bodes Ill for Quake-Devastated Sakhalin

By Fred Hiatt
Washington Post Service

KUMAYRI, Armenia — Virtually 30 years after the Soviet president, Mikhail S. Gorbachev, promised to rebuild this devastated city after the great Armenian earthquake of 1988, just as President Boris N. Yeltsin has now vowed all needed aid for the earthquake victims of Russia's Far East.

If Mrs. Petrosian's experience is any indication, the victims of the latest quake, the most destructive in this part of the world since Armenia's, should take little heart from Moscow's promises.

Along with about half of the surviving 210,000 people of this still rubble-strewn city, 80 kilometers (50 miles) northwest of

Yerevan, the capital, Mrs. Petrosian remains essentially homeless after 6 1/2 years, living with her husband, parents and two small children in a narrow, addressless railroad cargo container.

"It would be better to die than to live like this," said her neighbor Alvin Gaitan, who also lives in a metal container.

"They promised to give us an apartment, and then nobody paid attention, and I know that's how it's going to stay."

Wars, political upheaval and natural disasters have created millions of refugees, migrants and displaced people throughout the former Soviet Union, and Russia and

its neighbors have proven unable to cope with their needs.

The quake Sunday on Sakhalin Island, which destroyed most of the small town of Neftegorsk and is feared to have claimed 2,000 or more lives, is likely to prove no exception.

Already, Russia is lagging on promises to rebuild the Chechen capital, Grozny, badly damaged last winter by Russian forces quashing Chechnya's bid for independence.

Altogether, about 2 million ethnic Russians have fled wars, prejudice and privation in the outlying republics of the former Soviet Union and returned to Russia since 1989, with 4 million to 6 million more expected in coming years.

An additional half million have fled Si-

beria and the Far East, where they can no longer make a living, for European Russia. About 500,000 refugees from the far corners of the old Soviet empire — Afghans, Somalis, Angolans and others — have washed up here as well.

"Many of the migrants are suffering extremely difficult conditions," James Bisset, director of the International Organization for Migration's Moscow office, wrote recently. "Many live in old, abandoned buildings, deserted army barracks, converted shipping containers or box-cars."

Here in the Caucasus, about 1 million Azerbaijanis have become refugees from the war in Nagorno-Karabakh.

Thousands of Georgians have been displaced by war in Abkhazia, and Armenia

— with 3.6 million residents — shelters 150,000 refugees from ethnic strife in Azerbaijan.

But in some ways, the veterans of Soviet homelessness are those displaced by the Dec. 7, 1988, earthquake, who initially numbered 500,000.

That tremor, far more destructive than last weekend's quake in Sakhalin, virtually destroyed Armenia's second city, Kumayri — then known as Leninakan — as well as many villages and smaller towns, killing at least 25,000 people.

When that disaster struck, Mr. Gorbachev flew hurriedly from the United Nations in New York to tour the scene and promise aid. He vowed that the Soviet Union would rebuild the city within two years. Mayor Michael Vardanian recalled,

AGENDA

Squabble Goes On In German Party

BONN (Reuters) — Jürgen Möllemann, who is challenging Wolfgang Gerhardt to take over the leadership of the Free Democratic Party from Foreign Minister Klaus Kinkel, has failed to win the support of the party even in his own region of Germany.

The party association Mr. Möllemann once headed in North Rhine-Westphalia, Germany's biggest federal state, said Tuesday that it had declined to make a formal recommendation for either candidate. The Free Democratic Party is the junior partner in Chancellor Helmut Kohl's coalition.

Joseph Schulte-Tornau, the current party leader in North Rhine-Westphalia, said Mr. Möllemann, who was once the economics minister in Bonn, shared the blame for the sinking popularity of the Free Democrats. Mr. Möllemann has blamed the party's leaders in the capital, including Mr. Gerhardt and Mr. Kinkel, for the crisis.

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Doing Business With China Pages 15-24



FOOD FOR THOUGHT — Goran Ivanisevic, who was upset by Mikael Tillström, a 24-year-old Swede, in the French Open's first round. Page 23.

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North Fires on S. Korean Boat
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NATO Lauds Russia on Pact
BUSINESS/FINANCE Page 13
Single Currency Showdown

Dow Jones		Trib Index	
Up	9.68	Down	0.07%
4378.68		121.97	
The Dollar		Trib Index	
DM	1.3883	previous close	1.3771
Pound	1.6015		1.606
Yen	82.725		82.83
FF	4.8965		4.8445

Families in Upheaval Worldwide

Mothers Are Carrying Increasing Responsibility.

By Tamar Lewin
New York Times Service

NEW YORK — Around the world, in rich and poor countries alike, the structure of family life is undergoing profound changes, a new analysis of research from numerous countries has concluded.

"The idea that the family is a stable and cohesive unit in which father serves as economic provider and mother serves as emotional care giver is a myth," said Judith Bruce, an author of the study. "The reality is that trends like unwed motherhood, rising divorce rates, smaller households and the feminization of poverty are now unique to America, but are occurring worldwide."

The report, "Families in Focus," was released Tuesday by the Population Council, an international nonprofit group based in New York that studies reproductive health. It analyzed a variety of demographic and household studies from dozens of countries around the world.

Among the major findings:
• Whether because of abandonment, separation, divorce or death of a spouse, marriages are dissolving with increasing frequency. In many developed countries, divorce rates doubled between 1970 and 1990, and in less-developed countries, about a quarter of first marriages end by the time women are in their 40s.

• Parents in their prime working years

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Pat Buchanan Is Driving The '96 Race Rightward

By Richard L. Berke
New York Times Service

TAMPA, Florida — When Patrick J. Buchanan appeared here at the Hillsborough County Republican Party dinner three years ago, several audience members shouted him down and stormed out of the ballroom to protest his drive to deny President George Bush his party's nomination.

But when Mr. Buchanan stood before the same group this week, there were shouts of "Go Pat Go!" and a foot-stomping standing ovation.

"The time and the man have come together," Mr. Buchanan said triumphantly, if prematurely, in an interview.

This was to be the year Mr. Buchanan

disappeared in a crowded field of conservative look-alikes. The man who embarrassed Mr. Bush in 1992 — winning 37 percent of the New Hampshire primary vote as the sole voice on the party's right wing — was given little chance of making similar waves when he entered the race in March. After all, candidates with five times his \$1.5 million war chest, bigger organizations and far more endorsements, like Senators Bob Dole of Kansas and Phil Gramm of Texas, were already scrambling for the turf he had staked out.

Yet Mr. Buchanan, 56, is hardly disappearing. While he is still viewed as an unlikely nominee, the former television commentator and conservative columnist is a lot closer to driving the race than to being driven out.

Unhindered by the need to moderate his positions with an eye to the general electorate, he is pulling the primary campaign farther to the right with a blend of full-throated social conservatism and economic nationalism in which he advocates "a New World Order to restore our sovereignty."

While Mr. Buchanan's beliefs are too harsh for some Republicans, those who dominate the party's primaries are the

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Cash-Thirsty Romania Is Taking Tourists for a Bite

By Christine Spolar
Washington Post Service

BUCHAREST — The historian Radu Florescu may have been sticking his neck out a bit — a risky proposition at a Dracula convention — but he took a stab at defining the star quality of the old Romanian bloodsucker.

"Dracula's name is magic," said the Boston College professor, a native of Romania. "And from what I see here, Dracula is a name with great potential. The question is: How can he be used?"

Dracula has become an unlikely hero of the modern age in Romania, a threadbare country of 23 million people, earnestly in search of tourists and cash.

For years, under the Communist dictator Nicolae Ceausescu, talk of the mythical vampire was banned, lest

too-strong comparisons be made to the leader's blood-thirsty ways and those of the ruling party.

Last week, more than five years after the execution of Mr. Ceausescu, the vampire lured dozens of scholars and writers to this capital city for a seminar dubbed the World Dracula Congress.

In a country that just three years ago found the first Romanian-language version of Dracula in bookstores, academic papers were traded by day and cocktail parties were fueled by night with "Dracula's Spirit," a home-grown vodka sweetened with red fruit juices.

Safe to say, this was not the typical academic conclave. Journalists outnumbered the professional types by three to one, and a couple of Dracula fan club members filled out the ranks. More than a few speakers hailed from California. Several of them dressed only in black, and some of those in black leather. The necklace of choice? A crucifix.

By the second day, at least three participants had borne

the curse of modern Bucharest: One woman found a strange man rummaging through her luggage, and another had \$50 stolen from her hotel room. A scriptwriter from New York, on his first overseas trip, had a gun pulled on him in a disco when he refused to pay \$100 for dancing with an exceptionally available young woman.

The convention site at the Hotel Bucuresti, a onetime government agent haunt, was a bazaar with some dubious Dracula sidelines. A bottle of Full Moon Wine, red or white, sold for \$15 from one of the half-dozen vendors outside the lecture hall. For an additional 1,000 lei — about 60 cents — you could sip a carton of Dracula's strawberry liqueur.

"I know there's some people who think there's something wrong with using Dracula, but what can be so terrible about such a thing?" asked Costin Dima, a volunteer manning a booth. "It may bring power, finan-

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Newsstand Prices

Atlanta	9.00 FF	Luxembourg	50 L Fr
Antibes	11.20 FF	Morocco	13 Dh
Bahia	1.400 CFA	Qatar	8.00 Riels
Bombay	5.00 FF	Reunion	11.20 FF
Buenos Aires	9.00 FF	Saudi Arabia	3.00 R
Cairo	980 CFA	Senegal	250 CFA
Geneva	350 Fr	Spain	1.250 PTAS
Hong Kong	2.600 Lfr	Tunisia	1.450 Dhr
Istanbul	1.120 CFA	Turkey	8.50 Dhr
Jordan	1.120 CFA	U.A.E.	8.50 Dhr
Lebanon	1.120 CFA	U.S. Mil (Eur)	51 10

Oratory No Longer Inspires/Hopes for Reform Die

Tehran's Revolution Dissolves Into Degradation

By Elaine Sciolino
New York Times Service

TEHRAAN — Nearly a generation after turbaned clerics occupied the palaces of kings, Iran is a country of broken promises, a place of unrelenting unpredictability and fitful repression intended to keep the government in power and the population at bay.

There is no serious challenge to the theocracy that has ruled for more than 16 years; even an intelligence analysis prepared by the Clinton administration last December concludes that Iran's government is durable, and that neither isolation nor embrace by the outside world is likely to overturn it.

But in periodic visits to Iran since Ayatollah Ruhollah Khomeini overthrew the monarchy in 1979, and in dozens of interviews during a recent trip, it became evident that the religious oratory that once drove a nation into the streets no longer has the power to inspire. The masses, in whose name the revolution was made, now long for better days.

Just three years ago, a newly elected Parliament seemed ready to ratify President Hashemi Rafsanjani's bold program of economic reform; today, that movement has been abandoned.

It is not that the Iranian people are concerned about whether their government is building nuclear weapons or committing terrorist acts around the world. Those are American preoccupations that bear little relationship to day-to-day life for the 65 million people in Iran. But in a country where people still admire America, the U.S. embargo contributes to a general sense that things can only get worse.

In the effort to hold on to power, Iran's leaders have moved in contradictory directions. To keep the system strong enough to govern but supple enough to survive, they have simultaneously imposed strict limits and permitted a surprising degree of room to maneuver — allowing the elected Parliament to override the preferences of the president and permitting scholarly journals to criticize the one-party system.

Just as there are rigid rules, there are endless ways around them. It is, for example, official government policy to allow young men to buy their way out of compulsory military service and to allow murderers to free themselves by paying thousands of dollars to the families of their victims.

The result is a steady degradation of the ideals that brought the revolutionary leaders to power, an inefficiency that has strangled the economy, a cynicism that has fueled corruption, and an unpredictable quality about everyday life.

"There has been nothing dramatic, just continual deterioration," said Ibrahim Yazdi, leader of the Freedom Movement, Iran's leading secular liberal party, which has been banned. "We have a political crisis. We have an economic crisis. We have a social crisis. That creates uncertainty and unpredictability, so no one is making any long-term plans. People feel they've been betrayed, that the revolution has been kidnapped."

Mr. Yazdi, a former professor of medicine at Baylor University in Texas who served as foreign minister during the revolution's first year, typifies the tension between the permissible and the forbidden. He is dismissed as a man of the past and allowed to criticize the government, although only to outsiders. The government considers him so harmless that the Ministry of Islamic Guidance now offers to arrange visits to his comfortable apartment here.

But his party newspaper and headquarters have been closed for a decade, and the party itself has been prevented from holding meetings, publishing documents and fielding candidates in elections. The government has harassed shopkeepers and expelled university students who support the movement.



Ayatollah Khomeini's guiding spirit is giving way to practical longing for better days.

"We have set limits on ourselves because we are in a vulnerable situation," Mr. Yazdi said. "It is very difficult for us in this twilight zone."

Iran is not like Syria, where fear of the regime runs so deep that ordinary people avoid political discussion. It is not even like Saudi Arabia, where any criticism of the rulers goes on only behind closed doors. Even in the early days of Iran's revolution, political protest was widespread, although largely anonymous, as people felt that the chaos that came with the end of the monarchy somehow offered them a layer of protection.

Indeed, the last few years have witnessed an explosion of public criticism. Two favorite topics are inflation, which has driven up the prices of many goods by 100 percent in the past year, and Parliament's ban in April on the satellite dishes that for two years had enabled Iranians to receive programs like "Baywatch" and BBC News.

"Taking away the satellites is taking away the individual's freedom," one reader wrote in a public opinion column of a radical right-wing newspaper, Salam. "This is nothing but a ploy to distract people's attention from the country's economic problems."

ANOTHER reader wrote: "How come the government is capable of rounding up all the satellite dishes but is incapable of stopping inflation?" The satellite dish was one of the most hotly debated issues in Parliament last winter.

"We have no right to search people's homes," said Abbas Abbasi, a deputy from Bandar Abbas during the floor debate. "Even with a search warrant, do we have the right to follow everyone to the grave?"

People have responded to the ban by hiding the dishes in trees and under leaves and plastic sheeting, and by dismantling them every morning.

That sort of circumvention of the rules is both deceptive and dangerous, because the government can shift signals suddenly and without warning. The tone of Salam, for example, has become much milder after its editor, Abbas Abbasi, spent three months in prison in 1993. No charges were ever filed against him.

A number of the 134 writers who signed a petition last year protesting government censorship have been interrogated and pressed to withdraw their signatures. By contrast, since last year the government has allowed the publication of such scholarly opinion journals as *Goftegu*, or *Dialogue*, which advocates a more participatory democracy.

FOR THE PAST few years, it has been official government policy to ignore what people do in their homes. But carrying it out often depends on the whim of the neighborhood. At a wedding reception for about 400 people in the garden of a northern Tehran home in May, the family of the groom paid the official neighborhood committee thousands of dollars to ignore the party.

Homemade — and illegal — vodka was poured from pitchers and dinner was being served when a handful of stern men burst in. Members of the band threw their instruments onto a nearby roof and escaped. Women in party dresses rushed inside to find their floor-length coats and headscarves.

"They ruined the party," one guest said as she threw a trench coat over her strapless black dress. Other guests sniped that the family did not pay a big enough bribe, most of them leaving even before the cake was cut. The father of the groom spent the night in jail.

Only the most fervent perpetuate the fiction that all is right with the revolution.

"Our life is fine and we have no problem with inflation," said Akram Omrani, a trusted government watchdog who searched visitors before Friday prayers at Tehran University, confiscating the lipstick and mascara of women guests. "We eat three meals a day — not like my cousin who manages a hotel in Los Angeles. She can afford only one meal a day. In fact, tonight we are slaughtering two sheep to have a big party."

But that assessment was too much for a second official, who ran after the visitors to apologize for the cosmetics confiscation and to explain. "We let a woman take a lipstick inside and she got arrested," the woman said. "We can't really afford to live. Tell that to America, please."

There is an air of fear in Akbarabad, a

dusty, unexceptional shantytown like dozens of others that sprang up outside Tehran after the revolution, when building codes were abandoned in the name of building cheap housing for the people. Water is scarce, electricity is sporadic and social services are nonexistent.

Those inhabitants lucky enough to have jobs in Tehran commute by minibus every day; the unemployed sit on the stoops in front of shops drinking Zamzan, an Iranian soft drink. All suffer from crippling inflation.

When independent bus drivers doubled their prices early one morning in April, commuters rebelled. Witnesses said they blocked the minibuses from leaving the village. The rioters moved on to Islamabad, a much larger town on the way to Tehran, smashing windows and setting fire to banks, gas stations, and government buildings along the way.

By late morning, the government rushed in elite anti-riot police, who opened fire in hit-and-run battles with villagers throughout the day. Plainclothes intelligence officials patrolled the streets in search of informants. By the time the riots were put down at nightfall, a number of people had died — fewer than "the fingers of the hands" according to Ayatollah Mohammed Yazdi, chief of the judiciary, 15 to 30, according to diplomats in Tehran.

The next day, hundreds of police officers lined the streets as the local authorities bused thousands of people into Islamabad to march in pro-government demonstrations. The streets were strewn with broken windows, burned tires, bricks and rubble.

The families of the dead were made to repay the police for the bullets they had fired; public mourning was prohibited. But the bus fares came down again.

Mr. Khomeini used to say that the people did not rise up against the monarchy over the price of watermelons and that economics was for the donkeys. But the discontent throughout the country seems to have little to do with politics and everything to do with money.

"It's the person with money, not the martyr, who gets the respect," said Nasser Hadadi, a political science professor at Tehran University.

Just a year ago, Mr. Rafsanjani was talking about the need to have only one rate of exchange, to privatize the economy and to eliminate all subsidies. But in recent months, he has abandoned his economic reform program.

Last year, the inflation rate was unofficially pegged at 50 percent to 100 percent, while the salaries of public officials have remained constant. Per capita oil income in real terms is about one-fourth of what it was in the two years before the revolution.

Public disgust with the economy is so intense that a reader of Salam wrote to the newspaper recently to suggest that since Iran's money is now so worthless, the central bank should remove the Khomeini image from all Iranian rial.

PRICES of most consumer goods fluctuate with the value of the dollar. In fact, the dollar so dominates the Iranian economy that another reader of Salam wrote: "All the government's business is done with dollars. Let's just make the dollar our official currency."

The inability of Iranians to make ends meet has contributed to rampant corruption. During the monarchy, aides to Shah Mohammed Reza Pahlavi got rich on government contracts with foreigners. Today, the amounts paid may be smaller, but the corruption extends to every level of the government: from the heads of foundations who import goods and hand out contracts to the traffic police and garbage collectors.

"If you want a form signed, a visa stamped, a court case decided, a piece of furniture cleared through customs, someone has to be paid," said a diplomat with long experience in Iran. "In the shah's time, it was only the top echelon. Now, everyone has to be paid."

One Step Ahead
Of the Assassins
Fundamentalists in Algeria
Keep Journalists on the RunBy Youssef Ibrahim
New York Times Service

ALGIERS — Death called on Mourad Hemzaoui at a crossroads after three terrorists kidnapped him as he was returning home from anchoring the late night news.

The terrorists ambushed the service vehicle bringing him home early Sunday and took him to a deserted part of his neighborhood in Ain Naadia, about 25 kilometers (15 miles) south of the capital, newspapers reported Tuesday. He was tied to a pole and shot three times in a military-style execution as his driver watched.

Mr. Hemzaoui became the 46th Algerian journalist to be killed and the eighth in Algeria's national government-owned television network. His assassins spared his driver's life, telling the terrified man to warn others to quit or face the same fate.

The last week has been particularly bloody for the estimated 3,000 journalists working in Algeria's print, radio and television business in a relentless war declared against them three years ago by Islamic fundamentalists battling to bring down the government of Algeria.

A week before the latest killing, 22-year-old Malika Sabour, who had just started a job as a reporter for the Arabic daily *Echorouk El Arabi*, was shot in her home. Her family was forced to watch after her pushed their way into her house in Reghaia, a neighborhood east of the capital.

For nearly two months, she had been living away from her family to avoid being targeted, as most journalists do. She was killed on the night she chose to go home, which evidently was under surveillance.

In midweek, another journalist, Bakhti Benacouda, was killed in the Western city of Oran by a sniper fire.

Dubbed in Islamist literature as "secularist-atheists," agents of the regime, journalists have been given two choices by Islamic fundamentalists: Either quit their jobs in the media or face the same fate as the 46 killed.

"We have nearly 4,000 men and women working in the field of journalism," Lamine Bechichi, Algeria's communications minister, said as he watched Mr. Hemzaoui's funeral on national television Monday night. "Ensuring their safety completely is a difficult mission."

About 200 Algerian journalists have fled since the campaign to hunt them down was launched by the Armed Islamic

Group, by far the bloodiest armed faction in the civil strife that has taken the lives of well over 30,000 people.

The GIA, as the group is known by its French acronym, stands against all symbols of secularism and has killed scores of unveiled women, artists, writers, intellectuals, teachers — all dubbed symbols of decadent un-Islamic values.

Most of those who fled have gone to France, which colonized this country for 132 years until independence in 1962. But for the great majority working in the Algerian media, leaving is not an easy decision. Visas are rare and jobs are hard to come by overseas.

More significantly, most Algerian journalists prefer to live among families and friends, rather than in exile.

Omar Belbouche, editor of the independent daily *Al Watan*, who narrowly escaped two assassination attempts, says that Algerian journalists have had no choice but to turn against fundamentalists, reinforcing the deadly antipathy between fundamentalists and the media.

A senior Western diplomat said: "It is true the great majority of journalists here are anti-Islamist and have become, therefore, the subject of tremendous hatred by the fundamentalists. Some of those killed are not targeted personally."

"If they live in a neighborhood where fundamentalists abound, word spreads around there is a journalist around. Sooner or later some aspiring Islamist revolutionary offers them as the 'contribution to the cause.' Most cannot go home or do so surreptitiously."

Miss Sabour, for example, was just out of journalism school, having had little time to make personal enemies while working at *Echorouk El Arabi*, the largest circulation daily in this country of 28 million people.

Most journalists here live like fugitives, moving between friends' houses. Important journalists, whose friendship is prized by the government, get added protection from the state, which offers them safe houses. But such favors deepen the conviction among their fundamentalist foes that they are government agents.

Foreign journalists visiting Algeria also have been affected. The few groups allowed in are confined to guarded residences and have to move around with armed guards to protect them, which severely restrict their reporting ability.

TRAVEL UPDATE

SAS Pilots Threaten Strike Over Pay

COPENHAGEN (Bloomberg) — Scandinavian Airlines System said its pilots were threatening to strike on Friday if a pay demand is not met.

If the strike goes ahead, passengers on international and intercontinental flights — about 30 percent of SAS's total departures — will be affected, said an SAS spokesman.

103 Die in Mali Cholera Outbreak

RAMAKO, Mali (AP) — An outbreak of cholera has killed at least 103 people and affected 533 since May 9, health officials said Tuesday.

The outbreak started in the southern city of Mopti and has struck south to Segou and north up to Timbuktu. Cholera is a waterborne disease caused by poor hygiene, and the affected areas are along the Niger River.

Moscow shut down its main international Sheremetyevo-2 airport on Tuesday for emergency repairs after a heat wave buckled the runway, Interfax news agency reported. Aeroflot was forced to reschedule 28 flights but no other carrier should be affected. Temperatures have soared to an unusually high 32 degrees centigrade (90 degrees Fahrenheit).

A pilots' strike halted all flights by KLM Royal Dutch Airlines from its Schiphol Airport home base Tuesday. The six-hour strike called by the Dutch Pilots Association over a contract impasse was the first strike by pilots of the Dutch flag carrier in 37 years.

French rail workers are to stage a 24-hour strike on Wednesday. The state railway company, SNCF, said the stoppage would not affect TGV high-speed trains and long-distance routes but traffic could be disrupted on regional lines and the Paris suburban network.

Banks May Charge Interest, Islamic Jurist Says

ALEXANDRIA, Egypt — Egypt's top Islamic jurist challenged centuries of Islamic practice on Tuesday by officially supporting banks that charge fixed interest rates.

"Banks that set fixed interest are closer to Islam because they make clear people's entitlement," the mufti told Arab businessmen in the Mediterranean city of Alexandria.

Unury is banned in the Koran, and most Islamic jurists take this to apply to all forms of borrowing at fixed interest.

In practice, many institutions in the Islamic banking community have developed alternatives to interest, like imposing fixed service charges or acting as buying agents for clients.

Many delegates to the conference applauded the mufti's ruling.

Others said in shock that it

contradicted basic Muslim precepts. "I reject this edict," said a prominent Saudi businessman, Saleh Kamel.

"Islam offers many alternatives to charging interest. There is no need to resort to this."

"I don't think Muslims will accept his views," said a Sudanese banker, Hassan Satti.

The mufti told delegates in an address marking the first day of the new Islamic year that Islam simply required financial transactions to be marked by "clarity and justice."

"This is a very important issue he has raised," said Hamdi Salem, an adviser at Egypt's Trade Ministry.

"It gives people the opportunity to work together with banks and shows there is no restriction under Islam on interest rates."

An economist, Mukhtar Sherif, also praised the mufti's criticism of Western-style banks that established "Islamic" subsidiaries to meet growing demand for banking services that comply with the Muslim prohibition on interest.

But Mr. Satti, general manager of Sudan's Shamil Islamic Bank, said Muslims should stick to traditional Islamic deals that emphasize partnership between borrower and lender.

Mr. Satti said most Muslim scholars would disagree with the sheikh, and questioned his motives.

"I think the government made him say it," he said.

Japan AIDS Deaths at 561
Agence France-Press

TOKYO — The number of deaths from AIDS in Japan has risen to 561, with six more fatalities reported in the March-April period, the Health and Welfare Ministry said Tuesday.

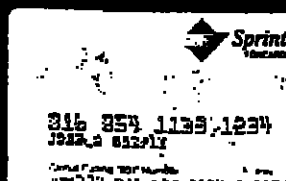
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Colombia	0057-121	Italy	0039-121	Nepal	977-121	Switzerland	0041-115
Costa Rica	00506-121	Japan	0081-121	Netherlands	31-121	Taiwan	00886-115
		Kenya	00254-121	Netherlands Antilles	31-121	Thailand	0066-115
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THE AMERICAS

Research May Fall Victim to U.S. Health Care Reform

By Elisabeth Rosenthal
New York Times Service

NEW YORK — Biomedical research, long considered a cornerstone of American medicine, threatens to become a silent casualty of the reorganization of the country's health-care system, caught between the relentless search for cheaper medical care and budget-cutting fervor among politicians.

American research has produced myriad discoveries — from new treatments for strokes to drugs for premature babies with damaged lungs.

But in today's lean times, nobody seems able or willing to pay for it: not legislators intent on balancing budgets; not hospitals whose revenues are shrinking in an age of managed care, and not the new breed of for-profit health-maintenance organizations that will pay hospitals to treat their clients but not a penny more.

Most research takes place at medical schools and hospitals, where it is paid for by a wide variety of sources. Billions of dollars each year from the National Institutes of Health are supplemented by millions more from medical schools, hospitals, insurers, corporations and foundations. And today, all these sources are declining.

"What is happening now is a nightmare," said Dr. Herbert Pardes, dean of Columbia University's medical school. "Every funding stream we have used to pay for research is being hacked apart."

In the corridors of New York's medical centers, the signs of trouble are everywhere: long-time researchers quitting their labs to enter private practice, discouraged young doctors unable to find research money or jobs, prestigious medical schools unable to afford to hire the researchers that they welcomed just three years ago. More and more, hospitals are requiring re-

searchers who are also physicians to pay their own way, seeing patients in clinics part-time to bring in money.

Health economists say the repercussions will be felt outside the lab as well, as technicians are dismissed from shrinking projects, successful scientists move out of state and the city's medical centers become unable to pay their bills. Part of each researcher's grant goes to the medical center to subsidize the more mundane aspects of maintaining its infrastructure, like covering heating bills and paying janitors.

In 25 years as a scientist at Columbia College of Physicians and Surgeons, Dr. Eric Hall has seen research money ebb and flow, but this year he has watched his financing vanish as if carried out on a rip tide.

With the National Institutes of Health financing a smaller percentage of applications than ever before, he lost two longstanding federal grants, together worth more than \$1 million a year.

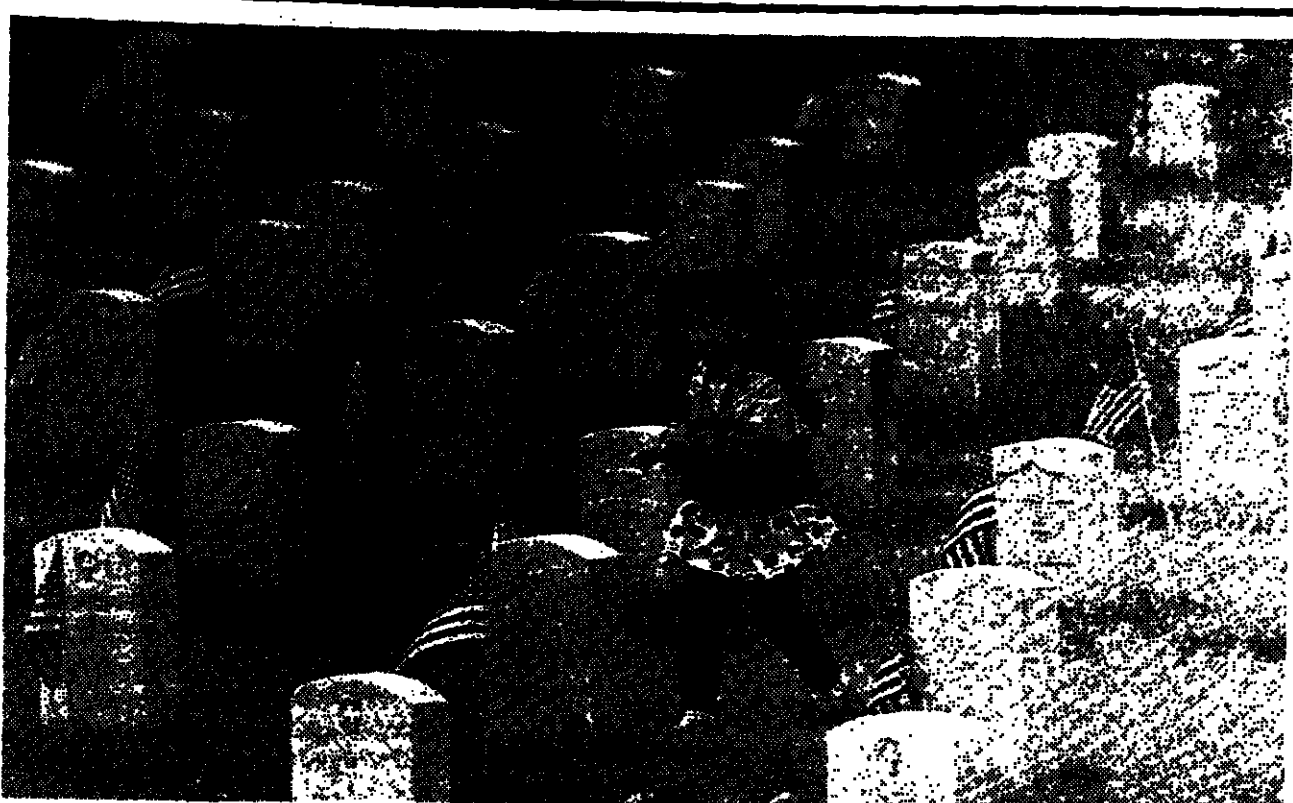
Columbia's medical school, which used to support researchers through such hard times, has become tightfisted these days, since its hospital, Columbia-Presbyterian, could lose more than \$30 million in payments from Medicaid and Medicare.

And Dr. Hall's department, radiation oncology, is not likely to bail him out either, with revenues threatened by managed care. As a result, his respected Center for Radiological Research, which had a staff of 45 a few years ago, is down to 30 and "shrinking fast."

The scientists who are left, he said, spend much of their time searching for grant money.

The National Institutes of Health — the single largest source of research money in the country — is able to pay for only 25 percent of the research proposals it receives, down from more than 33 percent seven years ago.

Proposals in Congress would cut its \$11.3 billion budget up to 10 percent.



FLOWERING — Amber Rose Jamsz, 3, taking a Memorial Day stroll in Wood National Cemetery in Milwaukee.

Away From Politics

Three people were killed and 23 injured when a tornado ripped through Great Barrington, Massachusetts, a state civil defense official said. There also was extensive damage in the town, 120 miles (200 kilometers) west of Boston. (Reuters)

An unarmed intruder was shot three times by a private security guard after he scaled the fence at the pop singer Madonna's home in Hollywood Hills, California. (Reuters)

A woman chasing a piece of trash in the subway in the New York City borough of Queens was hit by a train, losing parts of both legs as a train rushed over her. The woman, a visitor from Trinidad, remained conscious and even joked with rescue

workers. The thief disappeared into a tunnel leading to Manhattan and was being sought by the police. (NYT)

A complaint about firecrackers escalated into looting and street riots in Rock Island, Illinois. Five people were arrested and seven were injured, including a policeman who broke his wrist. The unrest began when a police officer responding to a complaint about firecrackers was met by a crowd of about 100 people, some of whom threw rocks and bottles at him. (AP)

A 9-year-old boy died a day after a stray bullet struck him in the head as he fled gunfire that erupted during a playground basketball game in Milwaukee. A 20-year-old man was charged. Witnesses said about 20 youngsters had been playing basketball when the argument began. One of the players left the court, got a gun from his car and started shooting. (AP)

3 Bodies Discovered In Oklahoma Ruins
The Search Comes to an EndBy Peter T. Kilborn
New York Times Service

OKLAHOMA CITY — The bodies of three people have been found in the rubble of the federal building here, and the authorities said they were the last expected to be found from the April 19 bombing that killed 167 people.

The bodies are presumed to be those of Christy Rosas, 22, and Virginia Thompson, 56, employees of the credit union on the third floor of the nine-story building, and Alvin Justus, 54, a customer, the Oklahoma County Medical Examiner's Office said.

Ray L. Blakeney, a spokesman for the medical examiner's office, said the bodies could not be definitively identified immediately.

"But we have notified the families of the two females that we have made this discovery," Mr. Blakeney said.

The two women had been counted among the 166 known fatalities in the explosion, because they were known to have been in the building.

But Mr. Justus's whereabouts had been unclear, and a positive identification of him would bring the total to 167.

"We have no more reports of others who were in the building," Mr. Blakeney said.

A wrecking crew found the bodies shortly after 6 P.M. in a section of the building that was too precarious for rescue workers to search while the devastated structure still stood. It was demolished by controlled explosions last Tuesday.

Now just rubble remains of the building whose image had been ingrained since the day of the blast: a tower of cubes, dripping with bits of apparel and office furnishings, looking like some monster had taken a gargantuan bite out of its glass-walled side.

The downtown area around the site seemed largely barren of traffic on Monday, exaggerating the desolation that the

bomb caused for blocks around.

Plywood still covers the shattered windows of scores of buildings, but a few shops and bars have reopened.

Wreaths and color photographs of children who were killed hang on the fence around the site.

At one spot, people have inserted the now-ubiquitous memorial ribbons as well as small American flags.

The bodies found on Monday were located in an area of the rubble known as "the pit."

The bodies, Mr. Blakeney said, "were found in exactly the area where we thought they were — between pillars 20 and 22."

The credit union was on the third floor near those pillars. "We thought they would go straight down, which they did," he said.

He said FBI evidence retrieval teams would be searching the site on Tuesday.

Fire fighters had combed the rubble of the building for more than two weeks after the bombing but had called off the search on May 5, knowing that Ms. Rosas and Ms. Thompson's bodies were still there.

Before the demolition, the area of the credit union was marked and covered with protective cloth.

Ms. Rosas had worked at the Federal Employees Credit Union for just eight days. Ms. Thompson had started in January.

One of them was at her desk, the other probably standing at a file cabinet when the bomb went off.

Mr. Justus was an army veteran and a disabled former federal employee who was a frequent visitor to the credit union office. He was last seen the morning of the bombing.

"I am anxious to really know it is him — which I know it is," Mr. Justus's sister, Violet Root, told The Associated Press from London, Kentucky. "It won't be over until we get him back."

Simpson Judge Halts End Run on Evidence

Compiled by Our Staff From Dispatches

LOS ANGELES — Defense attorneys for O. J. Simpson failed Tuesday in a further attempt to introduce into evidence Mr. Simpson's statement to police a day after his former wife was stabbed to death.

Introducing the statement would have allowed the jury to hear Mr. Simpson's version of events the night of the murders without his taking the witness stand and being questioned by prosecutors.

The defense attorney Barry Scheck sought to ask Collin Ya-

mauchi, a police DNA analyst, if he had spoken to Detective Tom Lange, a lead investigator into the June 12, 1994, stabbing deaths of Nicole Brown Simpson and her friend, Ronald L. Goldman.

Mr. Scheck also sought to ask if Mr. Lange had told Mr. Ya-mauchi about the statement Mr. Simpson made to police.

Mr. Simpson has pleaded not guilty to the murders.

His defense attorneys were rebuffed by Judge Lance A. Ito last week when they tried to introduce his statement after

Mr. Ya-mauchi testified that he believed from television news accounts that Mr. Simpson had been in Chicago the night of the murders and had a cast-iron alibi.

Under California evidence law a suspect's statement can be introduced if there is testimony relating to it during the trial.

Mr. Scheck's new attempt to enter the statement through Mr. Ya-mauchi's testimony Tuesday raised the ire of the prosecutor.

Marcia Clark when the defense attorney asked the witness, "Are you aware of any legal issues that have arisen in the last two days that make it important for you to forget that you ever saw or spoke to Detective Lange on the morning of June 14?"

Judge Ito raised his own objection and told the jury to "dis-regard the implication of that question."

Later, with the jury absent, Ms. Clark told Judge Ito the question was "so unethical and so improper" that a transcript of it should be sent to the California State Bar, and Mr.

Scheck should not be allowed to practice law in California.

Mr. Scheck said the question was legitimate and that in asking it he had deliberately refrained from mentioning Mr. Simpson's statement. But Judge Ito ruled that the statement could not be brought out through Mr. Ya-mauchi and ordered Mr. Scheck to refrain from that line of questioning.

(Reuters, AP)

High Court Eases Deadline For Laid-Off Workers to Sue

The Associated Press

WASHINGTON — A unanimous Supreme Court on Tuesday relaxed the deadlines for workers who want to sue their companies for failing to give adequate notice of plant closings and mass layoffs.

In a case of great practical importance to employers, employees and labor unions, the court said the deadlines for filing such lawsuits are the same as those provided for in the most similar state law.

Some federal appeals courts had imposed a six-month deadline for filing such lawsuits, and the Supreme Court's decision indicates that those rulings were wrong.

In other actions, the justices announced these decisions:

• They agreed to clarify the deadline for people to file late federal income tax returns and still get refunds if too much money was withheld from their paychecks.

• They refused to let Missouri prison officials tell guards when to use some of the compensatory time off they earn by working overtime.

• They let stand a state court injunction barring anti-abortion demonstrators from picketing within 100 feet of the Westfield, New Jersey, home of a doctor who performs abortions.

• They let state inmates serving consecutive sentences challenge a conviction in federal court even if they have finished serving the sentence for that crime.

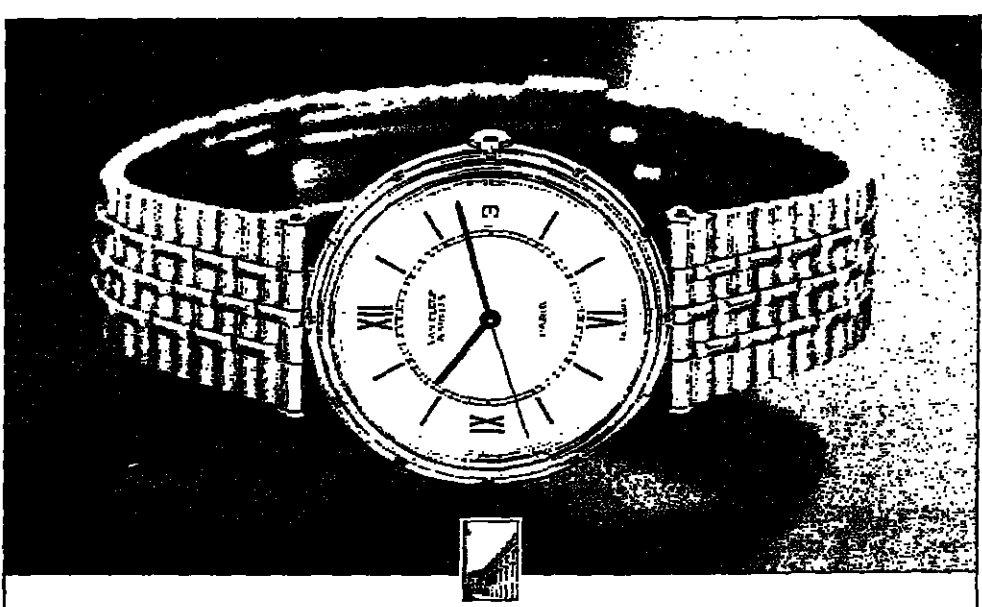
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POLITICAL NOTES

\$100 Million for Counterterrorism

WASHINGTON — Without waiting for a full-scale debate on President Bill Clinton's anti-terrorism bill, Congress this month provided about \$100 million in new counterterrorism funds to law enforcement agencies after the Oklahoma City bombing.

But the additional money for the FBI and the Bureau of Alcohol, Tobacco and Firearms was appropriated only after House Republicans, wary of giving too much power to those agencies, extracted a public promise from Republican leaders that "no new or expanded authorities" were being granted, other than permission to pay a \$2 million reward to capture the people responsible for the bombing.

The give-and-take was engineered by a Republican freshman representative, Robert L. Barr of Georgia, who was appointed by the House speaker, Newt Gingrich, also a Republican of Georgia. Mr. Barr headed a special task force on firearms that pointed up tensions among congressional Republicans.

Republicans since President Richard Nixon have scored political points by standing for law and order, but now rank-and-file conservatives are questioning proposals to give federal law enforcement agencies more money and power. (WP)

Pentagon Plight: Too Much Money

WASHINGTON — While other departments of the government fight for survival, the Pentagon has an unusual problem: too much money offered by a hawkish, Republican-led committee in the House.

Hours after the committee recommended adding \$9.5 billion to defense next year, the Pentagon's top procurement chief warned that the military could be hurt by too much of a good thing.

Speaking to reporters at a breakfast meeting last week, Paul Kaminski, undersecretary of defense for acquisition, said a few billion spent now on expanding weapons production could commit the government to tens of billions down the road.

The B-2 bomber program, for example, would get \$553 million under the House National Security Committee bill. But if the money turns into a commitment to buy 20 more of the Stealth bombers, it could quickly add up to more than \$15 billion. (AP)

Gingrich Makes Good on Promise

WASHINGTON — Well, it worked, just as the House speaker, Newt Gingrich, thought it would.

On March 1, Mr. Gingrich went to the Buena Vista neighborhood in southeast Washington to speak with pupils at the Lucy Ellen Moten Elementary School. He urged them to read, and, as an incentive, he promised that they would receive \$2 apiece for every book they finished during the next 2½ months. The boys and girls applauded.

The 2½ months ended May 15.

The kids' take: \$1,062. The 120 pupils read 531 books. "They were so excited," said Beverly Reid, the guidance counselor at the school. Ms. Reid, who arranged for the Moten children to participate in the reading program, said the children also were "very, very proud."

The money came from the Earning by Learning Foundation, a nonprofit organization that Mr. Gingrich promotes and for which he has helped raise money. (WP)

Quote / Unquote

Violet Root after the body of her brother, Alvin Justus, was finally recovered from the bombed-out federal building in Oklahoma City: "He never broke a law. He never drank or smoked and he was a Christian. That's one consolation. I know he is in heaven. I can lay him to rest with peace." (AP)

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ASIA

2 Are Said to Die as North Fires on South Korean Trawler

SEOUL — Two crew members of a South Korean trawler were killed and another wounded Tuesday when their boat was fired on and seized by a North Korea patrol boat, South Korea's Yonhap press agency said.

A South Korean Defense Ministry spokesman said the 103-ton vessel, Woosung 86, was fired on after it entered waters controlled by the North but he was unable to confirm the Yonhap report of two dead.

The Defense Ministry said the boat was returning to the South Korean port of Incheon from China, where it had been held since Saturday for fishing illegally in Chinese waters.

North Korea's official Central News Agency said in a brief report that "an unidentified boat" had illegally intruded deep into its territorial waters at around 12:40 P.M.

"A patrol boat of the navy of the Korean People's Army tried to check the unidentified boat, which began to flee," the report, monitored

in Tokyo, said. "The patrol boat fired warning shots at the fleeing boat and apprehended it as a self-defensive measure."

A South Korean maritime police spokesman said the trawler sent a radio message saying one crew member was wounded in the attack. The message had not mentioned any deaths.

South Korea placed its navy on alert after the incident, which took place about 30 kilometers northwest of the South Korean island of Paekryong off the peninsula's west coast, the ministry spokesman said.

"Immediately after the seizure, our armed forces took steps to bring back to port all fishing boats working near the spot, and to immediately cope with the incident," he said.

He added, however, that the attack on the trawler had not provoked a military confrontation between the North and South.

Paekryong island is just south of the 38th parallel, which was used by U.S. and Soviet military authorities to partition the peninsula at the end of World War II.

The two Koreas have remained technically at war since the 1950-53 Korean conflict. Seoul has accused the North of seizing more than 3,500 South Korean fishermen since the war and of still holding more than 400.

Last December, a U.S. Army helicopter was brought down just north of the tense border. One crewman died and the other was freed after 13 days.

Tuesday's boat incident comes at a time of tension along the inter-Korean border because of North Korea's attempts to dismantle the armistice accord that ended the Korean War, and because of problems in implementing a nuclear accord between Pyongyang and Washington.

Earlier this month, the North banned members of the four-nation Neutral Nations Supervisory Commission from entering its side of the border area at Panmunjom, the sole crossing point on the heavily fortified frontier.

North Korea has demanded that the armistice be replaced with a full-scale peace treaty with the United States, shutting out rival South Korea.



LIFELINE — A Filipino woman being lowered to safety Tuesday from a burning building in Manila. Three people were killed by the fire in the 12-story condominium.

Indonesian Army Loosens Grip

Military Will Lose Some Parliamentary Seats

By Michael Richardson
International Herald Tribune

SINGAPORE — Indonesia's armed forces, which play a key role at the center of power in the world's fourth-most populous nation, are to lose a quarter of their appointed seats in Parliament to make way for more elected civilians.

But analysts said that while the move was evidently a response to the emergence of an urban middle class that wants greater democracy, it was unlikely to mark the start of a rapid retreat by the military from the political arena.

Under a bill being considered by the House of Representatives, the number of appointed armed forces representatives will be cut to 75 from 100, in time for the next general election in the fall of 1997.

The bill is considered certain to be approved, probably in the next few weeks.

It is another sign of the hold that President Suharto, 73, still has on power.

Reflecting the views of a growing number of Indonesian observers, a leading American scholar on Indonesia said Tuesday that Mr. Suharto, already one of the world's longest-serving leaders, was likely to be re-elected to a seventh five-year term in 1998.

At a conference in Jakarta, R. William Liddle, a professor at Ohio State University, said Mr. Suharto had appointed officers in the armed forces and the governing Golkar political alliance who were loyal to him to pave the way for his re-election.

Since Mr. Suharto took power in 1966 with army support following an abortive leftist coup attempt, the military has been given the right to be involved in social and political affairs.

Members of the armed forces do not vote in elections, which are held every five years, but are allocated seats in Parliament.

In addition to the 100 military members, the current Parliament has 400 elected members from the three authorized political parties. Golkar has a majority of more than two-thirds of the elected seats.

The People's Consultative Assembly, which functions as an electoral college, will meet in 1998 to choose a new president. The assembly comprises 500 members of Parliament and 500 unelected members, mainly cabinet ministers, senior government and regional officials, military officers and prominent Indonesians. Most are approved by the president.

Mr. Suharto, who is also commander of the armed

forces, proposed the reduction in military representation in Parliament after consulting senior officers, apparently to preempt possible pressure for a more rapid change.

Explaining the decision recently in Parliament, Mochtar Yogie, the home affairs minister, said it would provide more room to establish a "government of the people."

Referring to Indonesia's sustained economic growth and political stability, he said that the situation had reached a stage at which the military was encouraged to gradually change its leadership role and take a back seat in society.

Yuwono Sudarsono, an Indonesian political scientist who follows military affairs, said that the rise of the middle class in Indonesia had led to "incessant demands for broader political participation."

But he said it would probably be 10 to 15 years before all members of Parliament were elected.

Other analysts said that full political democracy would only come to Indonesia if political parties were allowed to function freely, if an independent body took over the running of elections and if the president was chosen by direct vote or a college made up of elected representatives.

BRIEFLY ASIA

Burma Denies Visit to Dissident

BANGKOK — Representative William B. Richardson, Democrat of New Mexico, said Tuesday he was "frustrated and disappointed" after Burma's ruling junta refused to let him meet with Daw Aung San Suu Kyi, the detained opposition leader.

"I got stuffed," a visibly angry Mr. Richardson said at a news conference in Bangkok after a three-day fact-finding visit to the Burmese capital, Rangoon.

Mr. Richardson had met with Daw Aung San Suu Kyi in February last year, becoming the first person outside her immediate family to be allowed to visit the Nobel Peace Prize recipient, who has been under house arrest for almost six years.

Mr. Richardson said the Burmese junta was following a policy of "repression, regression and retrenchment." He said booming international trade with investment in Burma allowed the junta to do so. Burma's military junta came to power in 1988 after violently suppressing anti-government demonstrations. It refused to turn over power to Daw Aung San Suu Kyi's National League for Democracy, the winner of a 1990 general election. (AP)

13 More Die in Karachi Violence

KARACHI, Pakistan — A new outbreak of violence in Karachi left at least 13 people dead, and opposition groups threatened additional protests Tuesday against Prime Minister Benazir Bhutto's government. Much of the Karachi violence is linked to a feud between the government and the Muhajir National Movement, a militant opposition force.

Eight people were gunned down Monday night, including a policeman, and five more people were killed Tuesday morning in attacks throughout the city, the police said. The violence has intensified in the past two weeks, leaving more than 100 dead.

President Farooq Leghari, speaking in the capital, Islamabad, conceded that there was no quick solution to Karachi's crisis. The police have arrested several hundred supporters of the Muhajir National Movement, which represents Muslim immigrants from India. (AP)

Gains for India's Governing Party

NEW DELHI — The governing Congress (I) Party, stung in state elections over the last year, rebounded slightly in results of a handful of legislative elections released Tuesday.

In the most important election held Saturday for seats in 13 state assemblies, the Congress (I) Party candidate, A. K. Anthony, head of the Kerala state government, retained his seat. So far, the party has won six of the 13 seats for which counting is completed. (AP)

For the Record

Five workers were seriously injured and 31 others hurt slightly Tuesday when an oil refinery near Tokyo leaked hydrogen sulphide gas, a fire department spokesman said. The spokesman said the poisonous gas leak took place at a refinery belonging to Tonen Corp., a major oil-refiner in Kawasaki affiliated with Exxon and Mobil Oil. (Reuters)

Sri Lankan Army commandos killed 43 Tamil Tiger guerrillas in ambushes in the eastern jungles over the past few days, military sources said Tuesday. Among the dead were six rebel leaders, one with the rank of lieutenant colonel and five with the rank of major, they said. (Reuters)

VOICES From Asia

Lien Chan, prime minister of Taiwan, on relations with China, the country's political arch-rival: "By 2000, the mainland will probably become our biggest trade partner and the most important region for investment, the major source of foreign exchange surpluses and the hearland for economic development." (Reuters)

Irawan Abidin, director of foreign information of Indonesia's Foreign Ministry, on the landing of 18 East Timorese "boat people" in Australia shortly before United Nations-sponsored talks on the disputed territory: "Every time an event that is important to Indonesia is about to take place, some activity that is designed to attract international attention and to embarrass Indonesia is cleverly staged by the country's detractors." (AFP)

Farooq Leghari, president of Pakistan, warning India against deploying missiles that could carry nuclear weapons: "This missile race that they are starting on the subcontinent could be expensive and dangerous." (AP)

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ASIA

China Pushes a New Hero Worship

Beijing Seeks Antidote to Capitalism's 'Unhealthy Values'

By Steven Mufson
Washington Post Service

BEIJING — There were war medals for sale recently at an outdoor street market in Chengdu. They were on display between tables where people were peddling everything from fake jade necklaces to silver-decorated figurines of dead Tibetan monks.

What price does a piece of secondhand valor possess these days? the peddler was asked.

About \$20, he replied.

The medals looked authentic. Their faces were engraved in the socialist realist style of the '50s, depicting brave-looking soldiers bearing guns, with straight lines to indicate the beams of light radiating from them. The swatches of fabric attached to the medals were badly frayed, from years of proud exhibition.

Not long ago, few Chinese people would have thought of hawking a hard-earned medal from China's war of liberation. But in today's atmosphere of raw commerce and acquisitiveness, old-fashioned heroism has been devalued. In the eyes of many Chinese, the era of reform has put too much of China up for sale.

"People regard money as the highest value in life," said Wang Ruoshui, a former deputy editor of the People's Daily who was kicked out of the Chinese Communist Party. "Today money means happiness, money means all. People are even willing to prostitute themselves."

The party believes it has an antidote to this problem: the promotion of heroes. This is performed with all the pomp and circumstance that political leadership can bring to bear on such a product: television specials, books, ceremonies held at the Great Hall of the People and high praise from the nation's top leaders. It has spawned an entire industry, with a line of Communist heroes going back 40 years.

These heroes are supposed to appeal to the same young people in China who today are more likely to admire Michael Jordan than President Jiang Zemin, or the Taiwanese pop star Andy Lau than the senior leader Deng Xiaoping.

To come up with an alternative pantheon of heroes, the government has set up a hero production process. On June 29, 1993, the government established the China Foundation for Heroism Awards.

Manned by former police commissioners and state security officials and housed in a nondescript building just outside Beijing's third ring road, it was created with "the sole purpose and aim of inspiring the whole society to carry forth and support social justice, public order and the general mood of the public," according to its secretary-general, Zhou Shishang.

While many of the heroes in past years were common laborers, many of the manufactured contemporary heroes are private business people. Instead of glorifying people overcoming adversity, the foundation often recognizes entrepreneurs who help the less fortunate.

"Right now our society is in a transition from a planned economy to a free-market economy," Mr. Zhou said. "There are different values, maybe some unhealthy values like individualism or people who take money."

He described how a contemporary hero is nominated by his work unit, passed up rung after rung of Chinese bureaucracy and subjected to a background check before receiving the official stamp of approval.

So far the foundation has singled out about 500 individuals, organized publicity events, published books lauding their deeds and produced videos. Of-

ten the heroes receive fees or special benefits, although Mr. Zhou said that "first is their spiritual reward."

Though the Communist Party vows to create a classless society in China someday, heroes are divided into first, second and third classes depending on their deeds. The choice of heroes speaks volumes about what the party expects of Chinese citizens, and what qualities it feels are missing from contemporary China. At the moment, those missing qualities seem to be honesty, loyalty to the party and obedience.

The hero of the moment is Kong Fansen. A native of the eastern province of Shandong, Mr. Kong was assigned to be party secretary in a mountainous prefecture of Tibet, where he died in an automobile accident last November at age 50. In the last five weeks, the People's Daily has printed a full-page profile of Mr. Kong's life and three Page 1 editorials, and radio and TV stations around the country have broadcast tributes to him.

"In recent months a name has rung out, spreading like roaring waves through the urban and rural areas on the Tibetan Plateau and across the vast area of Shandong," said an editorial splashed last month across the front page of the People's Daily.

These editorials are usually messages directly from the top of the Politburo, said former People's Daily journalists. So what did Mr. Kong do to deserve such high praise? He helped poor children. Had

"lofty ideals," "disliked empty talk," the People's Daily said. Most notably, perhaps, he was "just and honest," traits all too rare among government and party officials these days.

With Beijing caught up in a corruption scandal that has already brought down the city's powerful party secretary, the People's Daily pointedly noted that Mr. Kong "never abused his functions, and powers to seek private gain."

Sometimes it is hard to see the moral of the stories of these heroes: they seem more like martyrs. The lesson often seems to be as much about the cruelty of fate as about the nobility of a few individuals who rise above theirs.

Take the heralded case of Wang Yanchun, an entrepreneur from Jilin Province. A former soldier, he returned home and became a local saint. He dove into icy water to work to protect dikes and dams during flooding. He stopped three women who had stolen clothes from a vendor. On another occasion he battled swindlers selling fake medicines to the villagers. In the market where he and his wife had a fruit stand, he helped old people push carts. He minded a nurse's son so she could tend to the sick. And he lent money to a woman to start a successful business and buy medical treatment for her husband.

At age 27, however, Mr. Wang was killed while trying to prevent a petty theft.

Prime Minister Li Peng recently did his part to hold up exemplary people for Chinese to emulate. In China's equivalent of a State of the Union address, Mr. Li named eight people who rose above the call of duty to aid their fellow citizens. Two had died, including a cadre who perished in a flood and a policeman killed chasing a criminal. Another was a self-educated engineer and inventor. One was a teacher in remote mountain areas. One was a People's Liberation Army soldier "who loves the army and goes all out in military training." Two were women. One was a doctor and the other a "fine example of a PLA man's wife," who dutifully serves her hard-working husband.



Prime Minister Li Peng as he cut the ribbon to open the Zhuhai airport on Tuesday.

Chinese Zone Near Macao Opens New Airport

ZHUHAI, China — Prime Minister Li Peng on Tuesday inaugurated Zhuhai Airport, a development that this city on the Pearl River delta in southern China is counting on to propel growth.

Commercial flights to and from the airport in the southern China special economic zone will begin on June 18. The domestic airport expects to connect to 18 Chinese cities.

Officials said the airport, which is capable of handling the biggest passenger

planes, would serve only domestic routes.

They denied that the city had sought permission from Beijing to accept international flights.

Government officials in the nearby Portuguese enclave of Macao had expressed concern that Zhuhai had sought international services, which would put it in competition with Macao's international airport, due to open at the end of the year.

Macao is to revert to Chinese rule in 1999.

The Zhuhai airport was built to handle 100,000 flights, 12 million passengers and 400,000 metric tons of cargo a year.

It was expected to reach capacity by 2010. This year, officials expect it to handle 7,000 flights, with 1 million passengers.

The number of passengers is expected to rise 20 percent to 30 percent a year for the following six years.

Manila Police Tied to Deaths

MANILA — A Philippine police investigator on Tuesday supported testimony by an officer that 11 alleged bank robbers were executed by policemen and not killed in a gun battle with the police.

The investigator, Conson de la Cruz, said at a Senate hearing that the victims were riding in two vans in a police convoy on May 18 when the convoy pulled to the side of the road and the policemen opened fire on the vans.

He said his superiors later told him to deny that he had been at the scene.

The officer's testimony largely supported that of another police officer, Eduardo de los Reyes, who had said the victims had been summarily killed while handcuffed in the vans.

In Cambodia, Equality in the Mine-Clearing Field

PHNOM PENH — Six widows and 20 survivors who had lost limbs to explosions graduated this week from a course on clearing land mines and will be deployed soon to help rid Cambodia of an estimated 6 million to 10 million mines.

"I would like to congratulate these people, who have dedicated themselves to a difficult future, but one that is essential to the future of Cambodia," Rae McGrath, head of the British pioneer project Mines Awareness Group, said at the graduation ceremony.

The idea to use amputees as mine-clearers developed when a worker with the British group, working in the troubled northwest province of Battambang, returned to work after an accident last year that cost him his left leg below the knee. Mr. McGrath said.

The group's director in Cambodia, Chris Horwood, added that the issue of "bias" in terms of job opportunities with mine-clearing agencies arose after a conversation with one of the group's ex-military clearers.

"I realized that all mine-clearance, nongovernmental agencies had all given jobs to ex-soldiers," he said.

"There is problem with a bias there." The women graduates are all widows of men killed by mines.

said Anne Moran, an official with the British group. Mr. McGrath said the project responded to the "obvious needs" of Cambodia, where an estimated 200 to 300 Cambodians were killed or injured every month during the country's civil war.

But it also addressed the issues of equality for women and the disabled and the issue of employment and survival of families of those who survive mine accidents, he added.

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Blair Would Keep EU Veto

BONN — The British opposition leader, Tony Blair, pledged Tuesday that a Labor government would stand up firmly for Britain's interests in the European Union and never relinquish its national veto in key areas of policy.

"We will maintain the veto vigorously in the key areas," he said in a speech in Bonn.

Mr. Blair said Labor was determined that Britain should play an active part in making the EU more effective and more responsive to the needs of its citizens.

"No one should underestimate our determination to stand up for British interests in the negotiations, just as the German government will stand up for German interests," he told the Friedrich Ebert Foundation, which is affiliated with Germany's Social Democrats.

"We will not agree," he added, "to giving up our veto in crucial areas like security, taxation, treaty change and border controls." (Reuters)

EU Plans Talks in Asia

BRUSSELS — Asian nations and the European Union are expected to hold a summit meeting in Thailand in the first half of 1996, the EU council of foreign ministers said here Monday.

The proposed gathering of heads of state and government would be informal and provide an opportunity for discussion of political and economic questions of mutual interest. (AFP)

Budapest Opens Debate

BUDAPEST — Hungary said Tuesday it was beginning a debate over the draft of its new modernization program that envisages the country's integration into the European Union and NATO.

The program envisages a 3 to 4 percent annual growth in gross domestic product and a gradual reduction of consumer inflation to below 20 percent, and cutting unemployment below 10 percent, Prime Minister Gyula Horn said.

The result of the debate will be summed up and a detailed program will be prepared by November for the remaining three years of the current Socialist-Liberal government, an official statement said. (Reuters)

Turkish Cypriots Protest

NICOSIA — Turkish Cypriots said Tuesday that an invitation for Greek Cypriots to attend a European Union summit meeting next month would only deepen the division of Cyprus.

Hakki Atun, who serves as prime minister in a Turkish Cypriot government recognized only by Ankara, said, "At a time when efforts are under way to bring together the community leaders of Cyprus, this will only encourage the Greek Cypriots to shun the negotiating table."

France, current president of the EU, asked Cyprus and 10 other states seeking EU membership to attend a meeting in Cannes on June 26 and 27.

In March the EU promised to begin full membership talks with Cyprus regardless of whether the rival Greek Cypriot and Turkish Cypriot communities on the island, which has been divided since a 1974 Turkish invasion, can agree on a federal relationship. (Reuters)

Calendar

European Union events scheduled for Wednesday:

BRUSSELS: European Commission holds weekly meeting, adopts report by commissioner for economic and monetary union, Yves-Thibault de Silguy, on the introduction of single currency.

BRUSSELS: Agriculture Minister Kalevi Hämäläinen of Finland meets with the EU commissioner for agriculture, Franz Fischler, and the EU commissioner for budget and personnel, Erkki Liikanen.

BRUSSELS: The commissioner for fisheries, Emma Bonino, meets with the Irish fishing minister, Sean Barrett.

ZEIST, Netherlands: The commissioner for research, Edith Cresson, addresses the Teletop conference.

PRAGUE: The EU-Czech Republic association parliamentary committee convenes to discuss the Czech Republic's membership strategy. Sources: Agence Europe, AFP.

Berlusconi Summoned by Magistrates

Agence France-Press

MILAN — The Milan prosecutor's office decided Tuesday to summon former Prime Minister Silvio Berlusconi on Friday for questioning on alleged tax evasion, judicial sources said.

But a lawyer's strike currently in force could upset the proceedings.

Mr. Berlusconi had earlier refused to comply with a summons to appear May 8 for questioning by investigating magistrates in Milan, who are running the country's massive anti-corruption "Clean Hands" probe.

He said at the time that it would have been "a waste of time" for himself and the magistrates.

Mr. Berlusconi was to be grilled Friday on alleged tax evasion in connection with the purchase of land at Macherio, near Milan, where he lives.

The case is separate from an inquiry into alleged corruption by his media group, Fininvest, concerning alleged payments made to tax inspectors.

In a separate development on Tuesday, television stations owned by Mr. Berlusconi were reprimanded for running large numbers of advertisements

against a referendum scheduled for June.

Giuseppe Santaniello, national broadcasting watchdog, said that Mr. Berlusconi's Fininvest, which owns the stations, could be hit with the harshest sanctions legally allowed.

"The contents of the broadcasts were in complete contrast with norms of neutrality in television," Mr. Santaniello wrote in a letter to Fininvest.

In a referendum scheduled for June 11, voters will decide whether the number of television stations that one person can legally own is reduced from three to one.

Encyclical Calls for Dialogue on Papacy's Role

By Celestine Bohlen
New York Times Service

ROME — In a lengthy appeal Tuesday for greater unity among Christians, Pope John Paul II invited leaders of other churches to join him in a dialogue on the role of the papacy, one of the most divisive issues in the history of Christianity.

But the 75-year-old pontiff made clear that the authority of the Pope in Rome remained absolute and supreme, a view held as an article of faith within the Roman Catholic Church and rejected by most other Christian churches.

In a 115-page encyclical letter on ecumenism entitled "Ut Unum Sint" ("That They Be One"), the Pope said he had a "particular responsibility" to promote unity among Christians, given the "primacy" of the Roman Pope as the successor to St. Peter.

Thus, he said, he must heed calls "to find a way of

exercising the primacy which, while in no way renouncing what is essential to its mission, is nonetheless open to a new situation."

According to Vatican observers, that "new situation" could in time involve a devolution of some of the Pope's authority to local bishops' conferences, a subject that is already under discussion within the Roman Catholic Church.

In the encyclical — the most authoritative form of papal message — John Paul again repeated his hope that Christianity, which underwent a series of bitter, often bloody schisms and divisions during the last 1,000 years, will rediscover its unity of faith by the Jubilee year 2,000.

The Pope acknowledged that the papacy "constitutes a difficulty for most other Christians, whose memory is marked by certain painful recollections," and as he has done on other occasions, he asked for forgiveness for the sins and errors committed in the name of the Roman Catholic Church.

An examination of the role of the papacy is an "immense task, which we cannot refuse and which I cannot carry out by myself," he said.

He called on "church leaders and their theologians to engage with me in a patient and fraternal dialogue on this subject, a dialogue in which, leaving useless controversies behind, we could listen to one another."

At a press conference on Tuesday, Cardinal Edward Cassidy, who heads the Pope's Council for the Promotion of Christian Unity, said that John Paul was harkening back to the first 1,000 years of Christianity, when the church was still united.

"In essence, the Holy Father asks to see how the primacy of the Bishop of Rome was accepted in the first Christian millennium, to understand whether it can be accepted again in the current world," the cardinal said. "The Pope sees the Catholic position on primacy as an essential point of faith, but the way it is exercised is a question to be discussed."



Mr. Kohl, arriving for a news conference Tuesday, wouldn't say whether he will run again.

Kohl Sees Rebound For Coalition Party

Reuters

BONN — Chancellor Helmut Kohl on Tuesday predicted that his ailing Free Democratic Party coalition partners would be re-elected to the German Parliament in 1998 but refused to say whether he would run again.

Mr. Kohl, at a news conference, firmly dismissed speculation swirling around the liberal Free Democratic Party since it was soundly defeated in elections for two state legislatures on May 14.

"I will go so far as to bet — something I rarely do — that the FDP will be back in Parliament in 1998," he said.

The chancellor, who remarked in October 1994 that the general election that month would be his last, teased reporters who repeatedly asked if he planned to run one more time.

"You can ask questions for hours, but I won't give you an answer," said Mr. Kohl.

Mr. Kohl, 65, said he had already spoken once about 1998 and would not say any more. He discussed his eventual retirement in the subjunctive mood, leaving all options open.

Bonn has been gripped by a premature debate about the 1998 elections after the Free Democratic Party suffered stinging defeats in the North Rhine-Westphalia and Bremen state votes and the ecologist Green Party surged.

Fundists have predicted the death of the Free Democratic Party and victory for a coalition of the opposition Social Democrats and Greens, who have supplanted the Free Democrats as kingmakers in German politics.

Mr. Kohl's coalition now has only 10 seats more than the combined opposition in the 672-seat Parliament, partly because the Free Democratic Party lost almost half its seats and received only 6.9 percent of the vote in the October 1994 election.

Leading members of Mr. Kohl's Christian Democratic Party have urged him to run in 1998 as the only way to assure an absolute majority in the Free Democratic Party collapsed.

Germany Moves To Combat Smog

Reuters

BONN — The German cabinet approved plans Tuesday to ban cars without catalytic converters from the roads when ozone reaches levels harmful to health.

A government spokesman said that the ruling coalition parties would now draft the law, to combat "summer smog," based on proposals put forward by the Environment Ministry last week.



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NATO Lauds Russia On Security Pact But Moscow Warns Alliance Not to Enlist Members in East

The Associated Press
NOORDWIJK, Netherlands — The U.S. secretary of state, Warren M. Christopher, led NATO officials Tuesday in hailing Russia's decision to participate in the alliance's Partnership for Peace as "beginning a new era" in relations with Moscow.

But his Russian counterpart, Andrei V. Kozyrev, warned NATO that the new cooperation agreements would be threatened if the alliance went ahead with plans to take on new members in Eastern Europe.

Mr. Christopher, however, addressed the good news. "An enhanced NATO-Russia relationship is the next important element in our overall strategy for European security," he said at a meeting of NATO foreign ministers.

Early Tuesday morning, Mr. Kozyrev said the venture could "contribute to constructive cooperation for ensuring

as a full member of its Partnership for Peace program.

He said he would seal the agreement with an exchange of documents when he meets NATO foreign ministers Wednesday.

But in a warning, Mr. Kozyrev said: "A decision about the enlargement of NATO to the East would create for Russia the need for a corresponding correction of its attitude to Partnership for Peace."

In a letter to NATO headquarters, Mr. Kozyrev also called for the North Atlantic Treaty Organization to be transformed "from a military alliance to a political organization."

NATO's Partnership for Peace clears the way for exchanges of military information, joint maneuvers and combined training of troops.

Mr. Kozyrev said the venture could "contribute to constructive cooperation for ensuring



Mr. Kozyrev and Mr. Christopher conferring at The Hague before the Russian's announcement early Tuesday.

long-term peace, stability and security."

He said Russia would endorse a second document setting out an "enhanced dialogue" with NATO that goes beyond the partnership programs the alliance has signed with 26 nations.

The second paper calls for consultations on areas ranging from cooperation in peacekeeping to nuclear security.

"The order of European security founded on cooperation must be built with Russia, not against it," said the secretary-general of NATO, Willy Claes.

Mr. Kozyrev's letter made clear, however, that Moscow has not dropped the fierce objections to NATO's enlargement that caused him to freeze Russia's participation in the partnership last December, five months after he signed Russia

"The attitude of Russia toward enlargement of NATO remains unchanged," he wrote.

But Mr. Christopher said to the foreign ministers here: "NATO enlargement remains an essential part of our strategy to build a more integrated Europe of democracies at peace."

In Sakhalin Quake, The Political Fallout

Limits on Aid Underscore Moscow's Financial Straits

By Steven Erlanger
New York Times Service

MOSCOW — The devastating earthquake on Russia's remote Sakhalin Island is beginning to have political consequences.

Nearly three days after the quake destroyed most of the town of Neftegorsk early Sunday, President Boris N. Yeltsin went on national television for a short address declaring Wednesday a national day of mourning for the victims, who could number up to 2,000.

At times nearly in tears, he promised aid and compensation.

Prime Minister Viktor S. Chernomyrdin, after awkward comments Monday evening televised from a beach resort in the southern Russian town of Sochi, announced Tuesday that he was ending his vacation to return to Moscow to oversee a commission examining the disaster.

Mr. Chernomyrdin, who has announced that he will head a centrist political block in parliamentary elections in December, began his vacation Saturday.

The sheer remoteness and bleakness of Neftegorsk may have been a factor. When a huge earthquake hit Armenia in 1988, Mikhail S. Gorbachev, the Soviet president, immediately broke off an important visit to the United States to tour the devastation and promise aid, much of it never delivered.

This time, in a Russia more aware of its financial limits, a Russia that is still waging a war in Chechnya and is lagging on promises to rebuild the region's war-smashed capital, Grozny, there are no promises to rebuild Neftegorsk.

Instead, the government promises to relocate survivors to the more hospitable southern part of the island. On Tuesday, Mr. Yeltsin promised up to \$10,000 to every family that suffered in the earthquake.

But given the extent of the damage in Neftegorsk, it may be difficult to find relatives to

compensate. Officials there said it was already difficult to find living relatives to identify the dead.

"Nature is blind," said a visibly moved Mr. Yeltsin. "There is no way to reconcile yourself to tragedies like these. But they bring people closer together, make them feel like a single family."

He said that "all Russia" was with those who were grieving. Mr. Chernomyrdin's commission is to meet on Wednesday to hear a report from Deputy Prime Minister Oleg N. Soskovets, who has just visited the scene, where many hundreds of people are trapped in freezing nighttime temperatures under collapsed buildings of shoddy construction.

Poor construction, at least, can be blamed on the Communist past. But officials also blamed the closure of numerous seismological stations, designed to try to predict earthquakes, because of budget cuts.

The real problems now, however, are lack of sufficient heavy cranes, emergency hospital services and poor communications and infrastructure.

Despite the remoteness of the town and its proximity to Japan and South Korea, Mr. Soskovets rejected offers of aid from both countries, saying that Russia needed no help from outsiders.

Television footage of emergency workers and citizens trying to pull survivors from the rubble with bare hands suggests that he might have spoken too soon.

But in today's Russia, seeking help from the West is not done, Western diplomats and Russian officials said.

The Russian official suggested that aid would be accepted in any case.

"But it is nearly too late now," he said.

Sergei Khetagurov, a deputy minister for emergency situations, said similarly: "Rescue work can help save victims only in the first two or three days. After that, there is no one left to save."

Scottish Village Sticks by Its Benefactor, Crooked He May Be

By John Darnton
New York Times Service

TOMINTOUL, Scotland — On a Saturday night at The Grouse's Nest, they're still willing to raise a glass or two to "Laird Williams" though now his title prompts laughter. And now they just call him "Tony."

There are those in this idyllic highland village in the Cairngorms (population, 320) who say they were never quite sure about Anthony Williams, the soft-spoken, monied aristocrat who arrived in 1986 with his impeccably dressed wife, Kay.

And there are others who say their suspicions were aroused over time, as the 55-year-old Mr. Williams, who appeared on weekends turned out in fine tweeds or sometimes in a kilt, bought up property after property, sinking so much money into Tomintoul that he single-handedly revived it.

But no one could have possibly guessed the truth — that the bespectacled man with bottomless pockets and an easygoing manner was not a laird at all but a businessman living out a Walter Mitty fantasy that he was a Highland nobleman and paying for it by embezzling funds from Scotland Yard.

About two weeks ago, a repentant-looking Mr. Williams, who had worked for the Metropolitan Police since 1959 and had risen to a \$65,000 position as deputy director of finance, was brought into the Old Bailey and sentenced to seven and a half years in prison.

Estimates are that he poured nearly \$5 million of stolen money into the village and gave jobs to 43 people. And now that he has fallen upon dark days at least some villagers are sticking by him.

"I found him a very charming man," very friendly — no put-on about him at all," said George McAllister, 70, the custodian of the local museum whose family has been farming the surrounding hills for generations. "It's hard to understand why a clever person like him would do a thing like that. It's sad. Of course, it did benefit the village. A lot of the properties were beautifully restored."

A few doors down the square, Donald Carr sat inside his wood-carving shop and described how suspicions began to grow. "Everyone wondered where the money was coming from. Why was he spending it in a wee little place in the highlands? He wouldn't have gotten it back in 100 years."

According to the court, Mr. Williams stole more than \$8 million over eight years. Most of it came from a secret fund that had been placed under his sole jurisdiction and that was supposed

to be used to pay informers and conduct surveillance and other undercover activities against the Irish Republican Army.

Instead, it went to create one more British lord.

Mr. Williams bought a fine brick mansion at Haslemere in Surrey. He bought a whitewashed villa with a pool in the Costa del Sol, in Spain. He bought aristocratic titles at auctions, spending \$95,000 to acquire the 15th-century Barony of Chirnside and then adding on 10 more Scottish titles.

But most of all, he sunk his ill-gotten gains into this village that captivated his heart with its fine stone cottages, its central green, and its breathtaking view of rolling emerald fields and pine forests disappearing into the distance like the spikes of an ancient army marching over the horizon.

He bought cottages and fixed them up. He purchased the pub and made it into a fine place to nurse a glass of Glenlivet, distilled only 10 miles (16 kilometers) to the north. And most of all, he bought the down-at-the-heels Gordon Arms and totally renovated it, transforming it from an eyesore into a first-class hotel with 30 handsomely furnished rooms, wood-paneled staircases, false bookshelves with spines of leather and an outstanding restaurant.

"I would offer him three choices for glasses — a middling one, a poor one, and fine crystal. Always, he chose the crystal. Nothing but the best," said David Abdy, who was chosen by Mr. Williams to oversee the renovations and run the businesses.

Mr. Williams told everyone, including Mr. Abdy and including even his own wife, that he inherited the money from a rich uncle in Norway. He was caught because his bank deposits were so large they ran afoul of new anti-laundering provisions. The bank notified the police, who discovered, to their unspeakable embarrassment, that the culprit was one of their own.

The Metropolitan Police commissioner, Paul Condon, publicly apologized for the lax supervision of his force. Under a hastily brokered arrangement, the police will take a financial bath. Mr. Abdy, a 27-year-old entrepreneur from Sheffield, acquired most of the properties for about half a million dollars, obtaining bank loans and striking deals with various creditors to pay only a part of what they are owed.

In the only interview he has given since his arrest a year ago, Mr. Williams told The Times of London: "I discovered this bloody great bucketful of money. I went from the need to pay off a few debts to what can only be described as greed. There are no excuses."

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Herald Tribune
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with Custer and other actors into gods. Whites have turned men into gentlemen," indeed, "on the lawns of Washington, Annapolis, Newport."

Whenever Dave Kapell, 33, a Minneapolis songwriter, felt creatively dried up, he would scribble words on strips of paper and rearrange them in various combinations. Poets often do this. Then a friend gave him a stack of refrigerator magnets. Having sneezed, wiped away or spilled much of his scrap-paper work into oblivion, it occurred to him that gluing his words to the magnets would give them more staying power. Then he marketed the idea. At about \$20 for a kit of 440 magnetized words, Magnetic Poetry sales have topped 200,000 in 18 months, The New York Times reports.

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Leader of Serbia Looks Set to Deal

West Hopes to Split Belgrade From Hard-Liners in Bosnia

By Joseph Fitchett
International Herald Tribune

PARIS — Seeking a glimmer of hope in the Bosnian nightmare, Western officials said Tuesday that Slobodan Milosevic, the president of Serbia, seemed ready in the next few days to recognize Bosnia's independence — a step long sought by international mediators.

If it materializes, recognition would be unlikely to have any immediate impact on the predicament of the UN peacekeepers held hostage by Bosnian Serbs.

They are already defying calls from Belgrade to accept an international peace plan involving territorial compromises with the Muslim-led government in Sarajevo.

Now the hostage-taking may have hardened even further the Bosnian Serbs' resistance to Belgrade's influence, at least for the moment.

A hopeful calculation among Western governments is that Belgrade must worry that the spiraling violence in Bosnia may create an uncontrollable international crisis and complicate the outlook for the whole region.

Instead of that, a U.S. official said, "Milosevic may have decided that he's held out for as much as he can get and this is the moment to cut a deal and set himself up as the lifetime leader of Serbia."

Many experts have resisted any reconciliation with Mr. Milosevic, arguing that he secretly colludes with the Bosnian Serbs. But France has pressed for Western concessions to Belgrade in exchange for recognition of Bosnian territorial integrity, partly because it would alter impressions that Western policy in Bosnia is a blind alley.

It would be a breakthrough because it puts a term to ideas of a "greater Serbia," a U.S. diplomat said.

Mr. Milosevic also would have to recognize Croatia as part of a deal to get relief from international sanctions, meaning that Serbia had renounced any claims beyond its own border to other Serbian-populated regions in the former Yugoslavia.

That outcome, European officials said, would be a message

to Radovan Karadzic, leader of the Bosnian Serbs, that he eventually will have to seek an internationally acceptable settlement in Bosnia.

But Mr. Milosevic will almost certainly decline any responsibility for developments in Bosnia as part of the recognition pact, which will hinge more on the terms for easing the UN-imposed international embargo on his country.

Western officials declined to disclose the terms of their offer, beyond saying that they expected it to be accepted by Belgrade. They also said that Mr. Milosevic may well prevail in getting sanctions lifted permanently and immediately, including the unfreezing of Serbian assets abroad.

Washington had been insisting that sanctions only be suspended, with the threat of being reimposed immediately if Belgrade was found to renege on its commitment to isolate the Bosnian Serbs until peace comes.

But the Clinton administration seems unlikely to impose any initiative pushed by France, which has watched as nearly 300 of its soldiers have been taken hostage by Bosnian Serbs in retaliation for the NATO air strikes that Washington encouraged last week.

Just before the bombing, negotiations were "only a few centimeters from success" over Serbian recognition of Bosnia, Alain Juppé, the new French prime minister, said Sunday.

His comment implied that the punitive bombing had occurred at a disastrous moment in the negotiating process, but he publicly backed the first air strike.

Officials said it was unimaginable that Paris could have been unaware of the impending action, since French military commanders and diplomats held key positions in the United Nations teams handling Bosnia, both at UN headquarters in New York and on the ground in the former Yugoslavia.

But U.S. officials agreed that Western coordination apparently collapsed last week, pointing out that the United Nations failed to get foreign personnel into defensible positions ahead of the air strikes — a precaution that was routine last year in similar circumstances.



John Major telling reporters Tuesday he holds Bosnian Serb leaders responsible for the fate of captive British soldiers.

Serbs Hurl Vitriol at UN Peacekeeper Role

By Roger Cohen
New York Times Service

SARAJEVO, Bosnia-Herzegovina — The Bosnian Serbs edged closer Tuesday to a formal state of war with United Nations peacekeepers, declaring them an enemy, annulling all agreements with them and threatening the life of a spokesman.

The defiant statement from the Serbs, who released six French soldiers but continued to hold almost 400 peacekeepers hostage, came as the vanguard of British troops arrived in the Croatian port of Split with a mission to reinforce the UN mission in Bosnia by providing it with artillery for the first time.

About 2,000 U.S. Marines and a French aircraft carrier moved closer to the Adriatic coast, 200 kilometers southwest of Sarajevo, in a show of force that seemed unlikely to lead to any immediate action but underscored the gravity of the hostage crisis.

A state of extreme tension prevailed in Sarajevo, with the city's streets largely deserted, water and electricity supplies cut, NATO fighters circling overhead and jumpy French soldiers at UN bases pointing

machine guns at any approaching vehicle.

In taking peacekeepers hostage as insurance against further attack after NATO twice bombed a Serbian ammunition dump last week, the Serbs have also seized at least six UN tanks, 12 armored personnel carriers and more than 25 armored jeeps. They are thus able to disguise themselves easily as peacekeepers.

"They've got what they need to look like a company of peacekeepers," said a UN official. "It's very worrying."

Meeting in their stronghold of Pale, 15 kilometers from Sarajevo, the political and military leaders of the separatist Serbs accused the United Nations and NATO of "flagrant interference in the conflict" and "siding with one party."

The statement added that, "all Security Council resolutions, all NATO resolutions and all accords with the United Nations, which have been abused, are declared void."

UN headquarters here accused the Serbs of disregarding international law "on a scale unseen in Europe for years" and of flouting "civilized principles of behavior." Never before have the Serbs and the commanders of the 3-year-old

UN mission traded vitriol with such intensity.

In an atmosphere of extreme bitterness, it was unclear whether a UN peacekeeping mission — at least a nominally impartial one dependent on the acquiescence of both the Serbs and the Muslim-led Bosnian government — could continue to function. After three years of war, the Serbs, who want their own state, control 70 percent of Bosnian territory.

Alexa Buha, the self-styled foreign minister of the Bosnian Serbs, said the hostages would be released if NATO and the United Nations formally renounced all military threats. But NATO foreign ministers, meeting in the Netherlands, said they would not be intimidated into compromise and demanded the unconditional release of the hostages.

"Right now, the United Nations appears to be beyond any reconciliation with the Serbs," said Alexander Ivankov, a spokesman for Lieutenant General Rupert Smith, the commander of the 22,000 UN soldiers in Bosnia.

Mr. Ivankov, who recently said the Serbs were behaving like "terrorists," was accused Tuesday by the self-styled Bosnian Serbian government of

"insulting and slandering the Serbs."

The UN spokesman, a Russian who was initially perceived as a potential friend by the Serbs, was warned "to go home before it is too late" and told that he might "run into an accident" if he did not heed this advice.

The sharp deterioration in relations between the Serbs and the United Nations appeared to be linked not only to the NATO air strikes last week. The arrival of General Smith to replace Lieutenant General Michael Rose has brought a sharp change of style, to which the Serbs have had great difficulty adapting.

It was the Serbs' resumption of shelling Sarajevo with banned heavy guns that led General Smith to order the NATO bombing of ammunition depots near Pale — the kind of militarily important target that General Rose always avoided.

Since then, officials said, General Smith has spoken to the Bosnian Serb commander, General Ratko Mladic, three times. The upshot was not good. General Mladic at one point scoffed that General Smith should "go take some tranquilizers." General Smith said the Bosnian Serbian commander was behaving "like a terrorist."

"General Smith is very cool, and, for that reason, the Serbs see him as dangerous," said one official close to him. "When the first NATO air strike came in, he was doing a crossword. He's very clear on the fact that he's going to apply the mandate, or, if not, secure another mandate he can enforce."

Collecting child support is also difficult. Among divorced fathers, three-quarters in Japan, almost two-thirds in Argentina, half in Malaysia and two-fifths in the United States do not pay child support, the report said.

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Major Defends Decision To Bolster Bosnia Force

By Richard W. Stevenson
New York Times Service

LONDON — Prime Minister John Major laid out the rationale Tuesday for Britain's decision to nearly triple its military force in Bosnia, saying that he strongly favored a continued United Nations presence there but that British troops could only stay safely if they were reinforced.

In his first full explanation of his decision late Sunday night to send up to 6,000 additional troops, Mr. Major said at a news conference that a withdrawal of the UN peacekeepers would leave the former Yugoslavia vulnerable to bloodshed on a scale not yet seen there and would damage British and Western European interests by risking a wider Balkan war.

With pictures of British and other hostages dominating newspapers and television, Mr. Major said Britain also wanted to make clear to the Bosnian Serbian leadership that it could

not get away with hostage-taking.

In making what was apparently a unilateral decision to send more troops, Mr. Major was taking a far more assertive role than Britain had previously sought on Bosnia.

But he was also taking a gamble, both in introducing new troops into a perilous military situation and in introducing a sensitive new issue into British politics while his own domestic standing is touching new lows.

Mr. Major's decision was supported by the opposition Labour Party. But it brought warnings from some inside Mr. Major's own Conservative Party about allowing British involvement to escalate, or even to continue after the current crisis is past.

Sir George Gardiner, an influential Conservative member of Parliament, said, "No British interest is served by committing our forces as active participants in this civil war and they should be brought home as soon as possible."

Virus Outbreak Slows In Zaire as Toll Hits 153

Reuters

GENEVA — At least 153 people have died in the outbreak of Ebola fever in Zaire but transmission is slowing and the epidemic is under control, the World Health Organization said Tuesday.

That death toll, from a total of 205 known cases, compared with a figure of 121 given by the UN health agency last week.

"This increase that has been occurring in the past week is not an increase in the current number of deaths," said a U.S. epidemiologist, Dr. David Heymann, who led an international team of experts in Kikwit, Zaire, the town at the center of the outbreak.

"This is a result of active surveillance," he said. "We've been looking for cases and we've found that cases go back to ear-

ly January and possibly earlier. All the measures are in place to stop the epidemic spreading and we anticipate that very few new people will be infected."

Dr. Heymann told a news conference that 26 cases were reported outside Kikwit, although all were still in Bandundu Province, east of the capital, Kinshasa.

He only five people were known to have recovered from the virus, two of them doctors who had been wearing gloves and masks. He speculated that the doctors may have only received small doses of the virus. Meanwhile, in Bemba blood tests showed that a Swiss photojournalist, Katja Sörz, 48, suspected of catching the virus in Zaire, does not have the disease.

DRACULA: A Draw for Tourists

Continued from Page 1

cially speaking, to Romania. And it's just a myth like all the others."

Still, a character most Americans take for light entertainment became the stuff of serious theses from scholars from Romania, Italy, France, England and the United States and spawned such brow-wrinklers as "Consanguinity: Stoker's Dracula and Gothic Literature's Wandering Jew," "High Duty and Savage Delight: The Ambiguous Nature of Violence in Dracula" and the intriguing if somewhat mystifying "The Pathology of a Parasitic Dracula and Doctors."

"There's all sorts of anti-feminist things in the book," said Marie Mulvey Roberts, a British professor from Bristol given to wearing red capes even in warm weather. Her cheery discourse on Dracula viewed vampirism as a disease and its victims as symbols of a backlash against feminism.

"It's homophobic yet homophobic," the professor said.

"We've lost trolls and giants," said Chelsea Quinn Yarbro, a novelist from Berkeley, California, in explaining the allure of the undead. "But if you say vampires — even the most urban person considers the possibilities of vampires."

FAMILIES: Mothers Worldwide Assume Increasing Economic Responsibility for Children

Continued from Page 1

face growing burdens caring for children, who need to be supported through more years of education, and for their own parents, who are living longer.

Unwed motherhood is increasingly common virtually everywhere, reaching as many as a third of all births in Northern Europe, for example.

Children in single-parent households — usually families with only a mother present — are much more likely to be poor than those who live with two parents, largely because of the loss of support from the fathers.

Even in households where fathers are present, mothers are carrying increasing economic responsibility for children.

The idea that families are changing in similar ways, even in very different cultures, should bring about new thinking on social policy, experts say, and in particular on the role governments should play in supporting families.

The Population Council report says women around the

world tend to work longer hours than men, at home and on the job.

In studies of 17 less-developed countries, women's work hours exceeded men's by 30 percent. Data from 12 industrialized countries found that formally employed women worked about 20 percent longer hours than employed men.

Women's economic contributions also are becoming increasingly important.

In Ghana, the report said, a third of households with children are maintained primarily by women.

In the Philippines, women were found to contribute about a third of households' cash income, but 55 percent of household support if the economic value of their activities at home, such as gathering wood or growing food, is included.

In the United States, a Louis Harris survey released earlier this month found that nearly half of employed married women contribute half or more of their family's income.

While the reason for entering the work force may vary from country to country, women everywhere are finding that to give their children an adequate life, they must earn more money, said Ms. Bruce, one of the report's authors.

"In traditional Bangladesh, it may be because the husband was much older, and died while the children were still young," she said. "In sub-Saharan Africa, a woman might have a baby prematurely and have no strong connection with the father, or she might have a husband who goes on to another polygamous marriage and supports the children of that union."

"In Asia," she added, "the husband may have migrated for better economic opportunities and stopped sending money after a year or two. And everywhere, parents are finding that there are fewer jobs that pay enough to support a family."

Even among rural people in less-developed countries, Ms. Bruce said, the need for a cash

income is becoming more pressing.

"Parents all over the world have an increasing awareness that their children will need literacy and numeracy," Ms. Bruce said. "That means that instead of having their 6-year-old working with them in the fields, they have to pay for school fees, uniforms, transportation and supplies."

The fact that many developing countries have cut their spending for public education as part of their debt-reduction plans creates further pressure on families, she said.

One apparent exception to the general trends is Japan, where single-parent households and unwed motherhood have remained relatively rare.

The Population Council report, written by Ms. Bruce, Cynthia B. Lloyd and Ann Leonard, found that while most countries have extensive data on women as mothers, there has been little research on men as fathers.

CAMPAIGN: Pat Buchanan, Back in the Limelight, Is Pulling the 1996 Primary to the Right

Continued from Page 1

"hard-core conservatives who may not flinch at his message."

Although his influence could be dismissed nine months before the first primary election, Mr. Buchanan has also frustrated his better-financed rivals by placing second to Mr. Dole in some national polls. And he is no novice to the national stage: He and Mr. Dole are the only candidates who have sought the White House before.

Some Republicans contend that Mr. Buchanan is not running because of any realistic hope that he can win, but to pull the party to the right.

"When Republicans talk about the possible threat of a Buchanan candidacy," said former Representative Vin Weber of Minnesota, "who is backing Mr. Dole," the question that comes up again and again is: Does he mind if it does great damage to the Republican Party? Some people think he'd like to punish the party for ideological transgressions."

Mr. Buchanan rejected the notion that he was on a crusade to bring the party around to his point of view.

"I've won that battle," he said. "Jack Kemp's talking about shutting down HUD. Richard Lugar is talking about abolishing the IRS. Pete Wilson is talking about illegal immigration. And Bob Dole is talking about a cultural war for the soul of America. Pat Buchanan has won the battle for the heart and soul of the Republican Party. It is not a Bush party any more; it is a Buchanan party."

Still, Mr. Buchanan sounds like a man ready to abandon his post should he not become its nominee. He warned that he might establish a third party if he was spurned by the Republicans, particularly if an anti-abortion plank was not included in the Republican platform.

"To turn your back and walk away from right to life," he said, "I think you would bring into being an instant third party which would gradually become a socially conservative party."

Mr. Buchanan is a natural campaigner, and he is drawing crowds who seem entertained, if not won over, by the punchy delivery that he honed over the years on programs like CNN's "Crossfire" and from writing

speeches for Presidents Ronald Reagan and Richard Nixon.

As the others try to finesse their stands against abortion, the party's most internally divisive issue, Mr. Buchanan is demanding that it be front and center in the battle for the nomination. He vows that his first act in office will be to rescind a series of executive orders signed by President Bill Clinton that facilitate abortions.

In the last week or so, Mr. Buchanan further set himself apart by calling on Congress to defy the Supreme Court's ruling denying states the right to impose federal term limits. And he was the only candidate who asserted that the Christian Coalition's Contract With the American Family was too timid and should have called for a constitutional amendment on abortion and total elimination of money for fetal-tissue research.

More than anyone else, Mr. Buchanan's presence has disrupted Mr. Gramm's long-plotted effort to emerge as the leading conservative alternative to Mr. Dole. Mr. Buchanan's relentless attacks on Mr. Gramm

have helped cost the senator the crucial support of prominent religious conservatives.

Last month, Mr. Gramm had another setback after he and Mr. Buchanan addressed a conservative group in Tucson and Mr. Buchanan came away with an overwhelming 76 percent support in a popularity poll.

Beyond the sniping between Mr. Buchanan and Mr. Gramm, the lingering question among hard-line conservatives is not whether Mr. Buchanan is to the right of Mr. Gramm but whether he is electable.

Mr. Buchanan lacks the usual résumé of a presidential candidate. He has neither held elective office nor run a government agency. Indeed, his government experience had more to do with politics than policy; he was a communications director in the Reagan White House and before that an aide to Presidents Nixon and Gerald R. Ford.

On the stump, his positions are anything but muddled: "On abortion: 'I will be the most pro-life president in the history of the United States of America.'"

On schools: "We don't need some guy in the Department of Education in sandals and beads telling you how to educate your children."

On his plan for a five-year moratorium on legal immigration and a fence along 200 miles (325 kilometers) of the U.S.-Mexico border: "If we can send an army halfway around the world to defend the borders of Kuwait, can't we defend the national borders of the United States of America?"

On the Clinton White House: "It's a day-care center — children's hour. It's a chaotic White House that's probably in part reflective of the mind of the president of the United States."

On trade: "If we conducted our arms negotiations as we're conducting our trade negotiations, we'd all be speaking Russian now."

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EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Save the UN Mission

Peacekeepers in Peril

Bosnian Serbian forces have thrown the long-suffering UN protective mission in Bosnia into what could become a terminal crisis. Last week, the Serbs began forcibly taking back the heavy weapons they had earlier yielded to UN custody in the Sarajevo area. Now, after NATO tried to halt these weapons seizures with air strikes, they have seized more than 300 hostages from the UN force.

Those actions not only leave the United Nations unable to fulfill its pledge to protect Sarajevo, they also leave its lightly armed peacekeepers from 17 countries chillingly exposed to public humiliation and potential slaughter. Things cannot go on this way much longer. Countries contributing troops to the UN force will not stand for such risk to their soldiers' lives. Moreover, unless the capacity to protect Bosnian civilians can be restored, those risks would have little justification.

The choices now are to reinforce and redeploy the UN garrison, or to withdraw it altogether in a messy operation that would probably involve American troops because of a Clinton administration pledge to help provide security for such a withdrawal. Unless an acceptable formula for reinforcement and redeployment can be found, withdrawal could soon become unavoidable.

Every effort must be made to save the UN mission, with additional troops from countries currently involved in UN ground operations and a prudent redeployment of the most exposed troops into less vulnerable positions. On Monday, Britain announced the dispatch of some 6,000 additional troops, and last night the international contact group on Bosnia, consisting of the United States, Britain,

France, Germany and Russia, endorsed a strategy of reinforcement and redeployment. That redeployment must not be achieved at the cost of abandoning the besieged civilians in Bosnia's government-held eastern enclaves. Nor can the administration allow it to lead to the introduction of American ground troops.

The Clinton administration is right to offer the equipment needed to better protect UN forces. It is also stationing 2,000 marines on an aircraft carrier in the Adriatic in case UN troops need to be hastily evacuated. But Washington must draw a firm line at lending those troops to any commando operation to rescue UN peacekeeper hostages.

Under the past two administrations, Washington has rightly resisted calls for ground troops, which would make Americans a prime target and change the character of the war. The agreed UN mission is to protect and feed innocent civilians while promoting a diplomatic settlement. It is not to wage war against the Bosnian Serbs, despite the appalling atrocities they have committed against Muslim, Croatian, and even Serbian civilians or their repeated provocations against United Nations peacekeepers. Even as Britain reinforces its garrison, the international contact group must continue to press diplomatically for Serbian recognition of Bosnia and Bosnian Serbian acceptance of the international partition map.

Maintaining a neutral and humanitarian role in a combat zone has been excruciatingly difficult.

But the right response to the current crisis is to make sure UN forces have the necessary military means to defend themselves and carry out their humanitarian mission, not to cross the line to all-out war.

—THE NEW YORK TIMES

A Debacle for Clinton

The new factor in the Bosnia equation is the utter public humiliation of the United States. Prodded to display "leadership," it pressed for NATO air strikes against the Bosnian Serbs, who had conducted new bombardments of Muslim civilian centers and further provocations of United Nations authority. The Clinton administration acted, however, without taking into due account the previously used, entirely predictable Bosnian Serbian tactic of making UN peacekeepers hostages and evidently — incredibly enough — without an idea of what Step 2 would be after the likely Bosnian Serbian retaliation. There are no American peacekeepers in Bosnia, and hence no American hostages. But the photos of UN soldiers shackled to possible NATO targets mark a particularly costly debacle for the Clinton administration, and given its quarrel with Republicans in Congress over its foreign policy prerogatives as well as over its inclination to work in concert with UN forces, could hardly have happened as a worse time.

It was always clear that if the United Nations was to stand up to the Bosnian Serbs, it had to choose between a spasmodic and brief response for show and one that carefully accepted the risks of a deeper and costlier but more productive engagement. Obviously, the Serbs were counting on the United Nations to fade. They met NATO's strikes on military targets with further outrages and provocations. They are now responsible for a lengthening list of grave violations.

The United Nations must continue searching for effective ways to hold the Serbs responsible. If its forces, in concert with the United States, back off now, the rout will have serious ramifications for American diplomacy and American se-

curity interests around the world. Bosnia is not of direct strategic significance to the United States. But the final abandonment of Bosnia would rip at the threads of international order and harden a cruel post-Cold War calculus based on the general perception of what aggressors can get away with.

It may be that the UN peacekeepers (what an ironic title that is) need to be regrouped and strengthened because their protection under the current rules has become an intolerable impediment to and distraction from the protection of the Bosnian people. The United States has in the past pledged to contribute forces for the purpose of escorting the exposed peacekeepers out. By following through on this, Washington could become better able to draw allies into doing more. For if the United Nations decides now simply to regroup the peacekeepers and let the Bosnian Serbs have their way, it might as well close up shop except as an international chit-chat society for the foreseeable future. The urgent obligation on the organization is to honor its commitment to protect the Bosnian people and to find the military means to do so.

All through the Bosnian ordeal, a political track has been open to the Serbs. But they have chosen conquest and "ethnic cleansing" rather than conciliation to ensure themselves a decent place in a post-Yugoslav order. This is how they have come to be isolated even from their kin in Serbia proper and even from their political patrons in Russia. Their residual chance of having their own real enough ethnic grievances addressed lies in their capacity to recognize the rights of others. This is the political message the United Nations must convey along with NATO's bombs. Meanwhile, the Bosnian Serbs must be made to know that they have just made their own prospects dimmer, not brighter.

—THE WASHINGTON POST

Executive Demolition

It's a sign of how the political mood has changed in America that the current fashion is not for the creation of cabinet departments but for their demolition. The budget proposals being considered by the House of Representatives include suggestions that the Commerce, Education and Energy departments be abolished. The Senate budget is, for now, more modest on this score; it has only Commerce in its sights. Here again the advocates are obviously engaging in a pretty high proportion of show to substance.

But even so, it is not quite fair to dismiss these suggestions as mere showboating. There is something to be said for stepping back and asking basic questions. Is this array of departments really the right one for what is wanted from government now? Would rearranging some

government functions and junking others lead to a more effective government? The point should be to answer such basic questions and not simply to have a few trophies to show off for constituents of departments summarily extinguished.

A new report from the Brookings Institution points out that abolishing departments is not necessarily the same thing as slimming down government. Its authors, Donald F. Kettl and John J. DiIulio Jr., note that getting rid of federal agencies or reducing their size "does not automatically do away with the people they serve, the public demands they embody, the programs they administer or the tasks they perform." People should keep this in mind as the attacking and defending heats up in the days ahead.

—THE WASHINGTON POST

WASHINGTON — Bosnia policy is the Number One oxymoron in world politics today. The West has no policy for Bosnia, only wishful thinking and good intentions. The United Nations and NATO must now face up to the failure and incoherence of their misconceived joint mission in the Balkans: They must radically transform that mission or abandon it. They must make war, or make way.

For three years, America and its European allies have substituted hope for strategy in Bosnia. Unwilling to help the

The Serbs are prepared to escalate beyond any price the West will pay.

Bosnian government regain the territory grabbed on the battlefield, they have been also unwilling to let the Serbs win the war outright. NATO governments and others have put their troops under the UN flag and into harm's way, then sought to muddle through without strategic goals.

The Bosnian Serbs showed where muddling through gets you on a battlefield by grabbing more than 350 UN soldiers as human shields and hostages in response to a NATO bombing raid. The Serbs did so

By Jim Hoagland

confident that the world's most influential politicians, diplomats and generals had not thought through the next move. The plan that NATO carried out with UN approval was this simple: Let's bomb the main Serb ammunition dump and see what happens.

The purpose was to send a signal, not to achieve a military objective. The Serbs sent a far clearer signal back: They are at war. The Serbs are willing to kill many more and to die in far greater numbers for their goals than the blue-helmeted outsiders are.

They will escalate beyond any price the West will pay.

The hostage stalemate emphasizes how badly mislead the UN and NATO are in this Balkan tragedy. It also makes clear that this joint venture has now become untenable. The United Nations is good at providing humanitarian help and peacekeepers to separate forces that are ready to be separated by a politically neutral force. But the world organization is in Bosnia primarily as a political cover, to take the heat off the NATO governments that want to affect the outcome without becoming directly involved there. These governments essentially want nobody to win in Bosnia and no outside power to become too involved.

Having to seek UN approval for air strikes lets NATO tie its own hands when it wants its hands tied. Organized and trained

to repulse Soviet invasion, the 16-member defensive alliance exposes itself to international ridicule with on-the-job training to become a UN subcontractor.

NATO's European members provide the majority of the 22,000 soldiers operating under the UN flag in ex-Yugoslavia. NATO warplanes carry out sporadic, ineffective air strikes to send signals. Alliance warships enforce an international embargo against ex-Yugoslavia.

NATO is not a peacekeeping organization. It is a war-making organization. Political neutrality is not a cause for which NATO soldiers should be asked to die. Political neutrality — evenhandedness between aggressor and victim — is the antithesis of the spirit, meaning and function of the North Atlantic Treaty Organization.

That is why I was disappointed a few days before the hostage crisis erupted to hear Foreign Secretary Douglas Hurd of Britain deliberately castigate both the Muslim-dominated Bosnian government for "using the United Nations as a shield behind which they prepare attacks on their opponents" and the Serbs for using "UN peacekeepers as hostages."

Mr. Hurd was surprised at the surprise I expressed to him. He pointed out, correctly, that the Bosnian government had "taken the offensive" three times in recent months, breaking cease-fires, embarrassing the United Nations and escalating the war.

Of course they have. The Bosnian government, a UN member recognized by the United States and its major allies, fights to regain its own territory. The Bosnians are victims. The Serbs are aggressors. While there are no angels in this war, there is a right side and a wrong side. There is a side with legitimate war aims. It is the Bosnian side.

The choice comes down to this: If the NATO command is to stay involved, it should take charge of member-country troops and commit them to not being neutral. Those troops should protect themselves, and protect the territorial integrity of Bosnia, with all war-fighting means available. Other UN troops should leave.

Mr. Hurd's comments suggest that the Europeans, who have put the only ground troops that count into ex-Yugoslavia, are not prepared to go this far, and I sympathize. Without U.S. leadership and combat involvement, the Europeans will not take up this burden.

That means the time has come for them to get out of the way and join the United States in forcing a lifting of the UN embargo against the Bosnian government. The newest Serb outrage produces a new dynamic in the constantly changing Bosnian war. The Serbs threaten not only the lives of UN soldiers but also international order. They have knocked away any comfortable, fence-sitting option in this conflict.

The Washington Post

Quietly, a Watershed Toward Mideast Peace Is Traversed

By Jerome M. Segal

WASHINGTON — While attention has focused on recent tensions impeding the Israeli-Palestinian peace process, negotiations have quietly crossed a line of historical importance: The Israeli government has offered a specific proposal for the creation of a Palestinian state.

That is what Palestinian officials are saying, and top officials in the Israeli Foreign Ministry have not denied it.

With last week's decision by Israel to suspend the planned expropriation of land in East Jerusalem, the peace process can return to business.

The planned expropriations (and the related controversy over moving the U.S. Embassy to Jerusalem) have obscured the progress that is being made.

The obstacles are still enormous. But even as important breakthroughs are occurring in the negotiations between Israel and Syria, it is not inconceivable that within the next six weeks we could see an Israeli-Palestinian agreement on Palestinian elections, and even, within the next 18 months, the emergence of a Palestinian state that would be sovereign in Gaza and exercise administrative control over West

Bank territory. After months of fruitless negotiations, in March the Israeli and Palestinian negotiators set for themselves a July 1 deadline for negotiating the processes of Palestinian elections and Israeli redeployment from population centers in the West Bank.

Last week, in the shadow of the crisis that almost brought down the government, Israeli and Palestinian negotiators were remarkably upbeat. The Israeli media reported that elections could occur this fall. Joel Singer, the Foreign Ministry legal adviser, said that election negotiations may be completed before July 1.

According to Palestinian sources at the highest level, the Israeli government secretly offered the Palestinians sovereignty over Gaza, and the Palestinians, wanting more, turned it down.

Coincidentally, I spoke with both Foreign Minister Shimon Peres of Israel and the PLO chairman, Yasser Arafat, in early April, trying to interest them in an idea for locking in further progress toward a permanent settlement before the 1996 Israeli elections. The idea was to

follow Palestinian elections and Israeli redeployment from population centers in the West Bank with a near-term creation of a Palestinian state, with sovereignty over Gaza and Jericho. An interim treaty agreement would freeze or limit settlement expansion.

Mr. Peres listened noncommittally and said, "Go talk to the Palestinians, and let us know if they are interested."

Later I saw Mr. Arafat, and to my surprise he said that the Israelis had already offered the Palestinians a state in Gaza. The Israeli proposal, though, was linked to the Palestinians' agreeing to put off indefinitely the redeployment of Israeli troops in the West Bank and the expansion of Palestinian autonomy. The Palestinians turned it down.

More recently, the Israeli press questioned Prime Minister Yitzhak Rabin about the possibility of a Palestinian state in Gaza, linked to a delay in the expansion of Palestinian autonomy in the West Bank.

Mr. Rabin replied, "If it would be possible, I don't see any problem in it." But he didn't believe the Palestinians would accept.

Note that Mr. Rabin characterized what appears to be an actual Palestinian response, suggesting that Mr. Arafat's account is indeed accurate: An offer was put on the table.

What appears to have happened is that the Israeli government made an offer (perhaps never in writing), in talks with the Palestinians. The offer was unrealistic, and the Palestinians rejected it out of hand.

On one level the offer was counterproductive, deepening Palestinian suspicions about Israel's ultimate willingness to withdraw from West Bank territory. Mr. Arafat interpreted the proposal as an expression of an Israeli desire to bring Jordan back into the West Bank as an alternative to Palestinian control. Thus Gaza First would come to mean Gaza Last.

Nevertheless, the episode served as a way for the Israeli government to cross a line it had never crossed before — to state that it would accept, somewhere within the occupied territories, a Palestinian state.

Some Israeli commentators have suggested that the target of the offer was not the Palestinians, but the Israeli public — to acclimate people to the idea of a

Palestinian state. And indeed, there was little public outcry. Nonetheless, the historic significance should not be overlooked: For the first time since the UN Partition Resolution of 1947, an Israeli government has accepted the idea of a Palestinian state.

The discourse is now shifting from whether there will be such a state to the extent of its powers. Once West Bank redeployment and Palestinian elections take place, a newly strengthened Palestinian Authority will have a significant administrative role throughout much of the West Bank. Later, if the Palestinians are able to reach up from administrative authority in Gaza to full sovereignty, it will be the Palestinian state that will administer the West Bank.

If all this is achieved before the next Israeli elections, the gap that will separate Israelis and Palestinians, no matter who wins, may be considerably smaller than many have expected.

The writer is a research scholar at the University of Maryland's Center for International and Security Studies, and president of the Jewish Peace Lobby. He contributed this comment to The Washington Post.

We Have the Tools to Prevent These Horrors, Let Us Use Them

By Cornelio Sommaruga

GENEVA — Today the world is celebrating the end of a devastating war, celebrating and remembering. World War II brought untold horror and suffering. The prewar order of nations was shattered, political linkages between ancient powers and colonies undone. Yet the emerging world did not lose confidence in the future. The victors, followed a few years later by the vanquished, sought to bolster, legislate and realize the simple message then on everyone's lips: "never again."

The International Committee of the Red Cross did not survive the war unscathed. Though much was accomplished during those harrowing years — like the relief and protection operations organized to assist POWs from all armies of those states adhering to

the Geneva Conventions — the ICRC failed to inform the world properly about what was happening in the Nazi concentration camps, errors and omissions the ICRC deeply regrets. Its inability to assist the victims of the Shoah was a serious matter from which it had to draw solid lessons. One of those lessons was the need for the world to incorporate into its way of defining state policy a set of fundamental and universal rules capable of restraining the "collateral damages" of war.

Before World War II, the legislation accepted by most countries as the minimum legal safeguard of the honor of nations in the advent of conflict was an affirmation of the unlawfulness of killing or harming wounded or

captured soldiers. The question of noncombatant civilians had not been settled.

But in 1934, the ICRC presented to the governments of the world draft legislation designed to protect most civilian populations caught in situations of conflict. Unfortunately, the provisions were embedded into the Geneva Conventions only in 1949. In 1977, two additional protocols were added to the Geneva Conventions, banning the use "of excessive force" and strengthening the protection afforded to noncombatants.

Our endeavor was flawed in one major respect. War is no longer the sole prerogative of disciplined armies. Many parts of the world are again in the throes of

murderous conflict; even the most elementary tenets of humanitarian law are being violated daily.

What went wrong? Is the very idea of wanting to impose rules on warriors, of wanting to sensitize fighting entities to humanitarian concerns, a naive enterprise? We think not. To condemn large portions of the world to savagery, all moral considerations aside, simply lead to an increase in the number of conflicts. Ultimately, no one will be safe from war or its consequences. I believe there is an awareness, among states and members of the general public, that conflicts, large or small, must not be allowed to fester — that the Rwandas, Bosnias and Afghanistans of this world must be resolved in a manner that is both just and humane, capable of bearing durable solutions.

Do we then need to write new laws, to enact new codes of conduct? The ICRC thinks not. The Geneva Conventions and the UN Charter are bound together and are complementary. The legal tools to prevent and solve human crisis exist. What lacks, however, is the will, and maybe the imagination, to implement them.

Ultimately, it is the duty of states to guarantee the respect of

humanitarian law through the implementation of the UN Charter or in other ways. The international tribunals set up to try those accused of war crimes in former Yugoslavia and in Rwanda are welcome developments in this respect, but the effort will only be valid if the tribunals' judges are allowed to work with speed and fairness. While the ICRC hopes these tribunals succeed, it should be remembered that those accused are sometimes the products of situations influenced by the policy of others.

Though the ICRC endorses these tribunals as a step toward tangible, universal applications of humanitarian principles, they must not become a substitute for responsibility. States are responsible for the circumstances that lead to crimes against humanity.

A guilty sentence passed on an individual in The Hague is an indictment of the political system that allowed the deed. When crimes against humanity are leveled, states stand accused.

The writer is president of the International Committee of the Red Cross. He contributed this comment to the International Herald Tribune.

Trade War: Sound the Retreat Now

By Roger Buckley

TOKYO — In the trade dispute with the United States, the world is seeing a different Japan — one that seems determined not to cave in any more to American pressure. The United States appears to have been surprised by the vehemence of the Japanese counterpunches.

The more protracted the dispute, the harder it will be to cobble together a compromise that leaders in Washington and Tokyo can live with. If the World Trade Organization is called upon to adjudicate, the trade quarrel will still be an issue in the fall of 1996. It might thus figure in the U.S. presidential campaign — to the embarrassment of Bill Clinton and the Democrats, particularly if Tokyo stands firm and the WTO rules against America.

How much longer can the spat continue without seriously undermining the U.S.-Japan relationship, including the security alliance that is critical to maintaining peace and stability in the Asia-Pacific region? Might Japan hit back with reprisals against U.S. imports? Would Japanese retaliation prompt the Clinton administration to review its political and security ties with Tokyo?

The history of relations between the two countries since World War II has been invoked as proof that the bilateral alliance

remains "off limits," however pointed the criticism of the huge trade imbalance in Japan's favor and the barriers Tokyo maintains to imports.

This time no one can be so certain. The geopolitical thrust of U.S. foreign policy since the end of the Cold War means that the earlier strategic imperative that bonded the two powers can no longer be assumed.

It may be tempting to see the auto quarrel as no more than the latest in a long list of trade problems that began with the textile war of the late 1960s and early 1970s under President Richard Nixon.

However, it is becoming increasingly difficult for U.S. and Japanese military forces to continue to cooperate smoothly while trade friction intensifies. The cost of deploying American forces to protect Japan can only be justified if it is seen to be in U.S. as well as Japanese interests. Clearly, it will be harder for Washington to make such a case if the U.S. Congress, the business sector and public opinion feel that American goods are unfairly excluded from the lucrative Japanese market.

For now, the United States is not recalling its legions from Japan. But the mounting trade gap could force it to do so. Tokyo

would then be in a strategic bind: If it increased its independent military power, alarm bells would ring throughout Asia; if it failed to raise its guard, other countries, notably China or North Korea, could threaten Japanese national security interests.

Tokyo thus needs to show, and quickly, how it values the security alliance with Washington by accepting an even larger share of the cost of garrisoning U.S. forces in Japan. It should also assume far wider international responsibilities for peacekeeping and other work under United Nations auspices.

For its part, the United States should ponder why European automakers have been more successful in selling to Japan than have their American counterparts.

Washington should also consider whether the public branding of its oldest and closest ally in the Asia-Pacific region is not highly counterproductive.

The U.S.-Japan alliance is too important to both sides to be sacrificed on the altar of auto parts.

The writer, who teaches history at the International Christian University in Tokyo, is author of "U.S.-Japan Alliance Diplomacy, 1945-1990." He contributed this comment to the Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: France's Policy

PARIS — In the Senate yesterday (May 30) the Minister of Foreign Affairs was questioned in regard to the visit of the French fleet to Kiel and the recent action of France in the Far East. M. Hanotaux explained that the visit of the French fleet was merely a courteous reply to a courteous invitation. France, as a colonial power, could not remain indifferent to the regulation of peace between China and Japan. She had therefore joined Russia, Germany and Spain in taking common action.

1920: U. S. of Europe?

[The Herald says in an editorial:] Citing the federal organization of the United States of America, of the Australian commonwealth and of Canada, M. Jean Hennessy, Deputy before the Ligue Française at the Sorbonne, declared that, if we wish peace in Europe all the nations which constitute

Europe should come together. "I believe that such a union is not only possible but necessary. The hour has arrived," he concluded, "to make all Europe into one grand federal organization."

1945: Balloon Bombing

WASHINGTON — Japan's bomb carrying balloons, a government official said today (May 30), are launched in their homeland and controlled by an automatic ballast-dropping device. They are filled with hydrogen and travel at an altitude of from 25,000 to 35,000 feet in an eastward current. When the balloon drops to 7,000 feet a bomb is released and a demolition charge automatically destroys the balloon. The balloons are used by the Japanese as a propaganda weapon and are launched from war factories with great ceremony, as attacks on America. Traveling at 50 miles an hour it would take a balloon about 100 hours to reach America from Japan.



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OPINION/LETTERS

It's Time to Tell Bosnians Their Fate Is Up to Them

By A.M. Rosenthal

NEW YORK — All over the world, rebel people are at war with their internationally recognized governments. They die to destroy regimes they detest — or just separate from them.

But in only one country has the West gone to war to block anti-government forces: in Bosnia, where Serbian Christians seek separation from a government they see as created and held by Serbian Muslims.

Chechnys by the thousands have been slaughtered by Russian troops. In Iraq and Turkey, in Sri Lanka, Sudan, Algeria, Kashmir and Mex-

Serbian Christians of Bosnia were foreign invaders.

The war was unspeakably vicious. Serbian Christians ousted Serbian Muslims in atrocity. Serbian Christians murdered and "ethnic cleansing" were fully reported by the United Nations and foreign correspondents. Muslim murders received less attention than they deserved. Members of Western governments will acknowledge that, with off-the-record nods.

The Clinton administration faltered and failed on Bosnia. But it did accomplish one thing. It kept American forces out of the war. Late last year, however, President Bill Clinton gave in to pressure to show how tough he was — by bombing the Serbs from the air. He was egged on by a strange combination of laptop bombardiers — liberals and conservatives who did not want a drop of American blood shed on Bosnian ground but were tippy-toe keen to kill Bosnian Serbian Christians by air.

We are told that Bosnia is a vital security matter for the West. If so, it was not until the West intervened to create and preserve a new Bosnian government doomed in advance by the furious rejection of more than a third of its people.

The idea that the Serbian Christians would surrender under aerial bombardment was as realistic as the hope the North Vietnamese would do the same. The Christian Serbs of Bosnia answered the bombing by killing more Muslim Serbs. They also made the vicious decision to take UN soldiers hostage.

Against Ayatollah Khomeini in Iran the United States tried to rescue hostages by sending in a state chocolate cake. The British and French may not be so delicate. President Clinton may have to send in troops to help them. He and the Bosnian Serbs will then have one thing in common — the talent for self-destruction.

What to do now? Recognize the truth of the disastrous Western intervention. Free the hostages. Stop the bombing. Keep American troops out and the embargo on — against all parties. Tell Bosnians to deal with their own fate, asking for Western diplomatic help if they want it. They cannot do much worse than the West has done for them and to them.

The only alternative for the United States is to send in 100,000 troops or more, and rule Bosnia for a limited time. That would be, oh, a half-century or so.

The New York Times

The administration faltered and failed on Bosnia, but did keep U.S. forces out.

ico, people in rebellion kill — and are killed by government forces. For a half-century Arab Palestinians and Arab nations have been at war to separate Palestinians from Israel, or destroy it.

In none of these cases did the United Nations use air bombardment to save the rebels or the governments they fought. Tibetans, occupied by Communist China decade after decade, brutalized day after day, are not even allowed to set foot in foreign ministries or the halls of the United Nations. Why only Bosnia? If that blaze is to be put out or even dampened, the answers that face us must be acknowledged.

Serbian Christians in what became the Yugoslav province of Bosnia-Herzegovina regarded the area as their ancestral home. So did Serbs of Bosnia who had become Muslims centuries ago. When the Yugoslav federation began to break up in 1990, Serbian Christians knew they would be a minority of one-third in a new Bosnian nation that they feared.

But Western Europeans, led by Germany, were searching for areas of influence in the Yugoslav breakup — first Croatia and Slovenia, then Bosnia. Europeans and the United States swiftly recognized the new Bosnia.

Bosnian Christian Serbs fought, with military help from adjoining Serbia. Muslims got active political backing of the West and later arms from Muslim countries. Both sides sought and profited from aid. But the idea took hold in the West that

Molecular Wealth for the Taking

By Thomas E. Lovejoy

WASHINGTON — Last summer's massive oil spill near Usinsk, 1,000 miles northeast of Moscow, is now bubbling to the surface. Frozen during the winter and released during Russia's spring thaw, the rivulets of oil are being measured in multiples of the Exxon Valdez disaster.

Vast as the spill is, a solution may lie in the microscopic world of bacteria and other microorganisms. This would be but a single example

MEANWHILE

of the potential economic and environmental benefits that could derive from our deepening understanding of all living things, even at the molecular level.

Around the world, microorganisms from nature, with weird metabolisms and appetites, are being used to clean up messes. Some chew up hydrocarbons like those in the north Russian oil spills. Others remove heavy metals. One, from the sediments of the Potomac River, breaks down chlorofluorocarbons, which destroy the ozone layer.

The benefits of biodiversity — for science, medicine, the environment and industrial processes — are potentially immense. This potential could be jeopardized, however, by proposals in the U.S. Congress that would weaken scientific research and undermine conservation.

Budget cuts that could slow advances in biotechnology, where the United States leads all other nations, are especially worrisome. Biotechnology is further threatened by the accelerating loss of species, whether in tropical rainforests or elsewhere. Legislators who would weaken environmental

protections like those provided by the Endangered Species Act have shown little appreciation for the economic downside of doing so.

Bioremediation — using biological processes to overcome environmental problems — has great promise. It is invariably cheaper to prevent pollution than to clean it up. Microorganisms deployed in the factory could stop pollution at its source. The same processes could contribute to a cleaner industrial landscape by converting the waste stream of one industry into another's raw material.

Bioindustry is catching on elsewhere. DuPont now has a bioindustry division. Japan is investing \$25 million to search for promising heat-resistant enzymes from organisms that live around the thermal rifts at the bottom of the sea.

In the health industry, the extraordinary magnifying power of the polymerase chain reaction, the basis for a 1993 Nobel Prize, is today a staple feature of diagnostic medicine. The power to multiply a tiny sample of genetic material a billion times over makes diagnosis virtually instantaneous compared to the old days, when doctors paid house calls — as well as the not so old days when lab technicians had to grow the pathogen to get sufficient material to identify the virus. Using an

enzyme from a bacterium called *Thermus aquaticus* found in a Yellowstone hot spring, this polymerase chain reaction can make possible a quick diagnosis of a strep throat.

But it promises even more. The human genome project, which will describe our entire genetic constitution, yielding immeasurable benefits for health, depends on that reaction and the same molecule.

The benefits from molecular biology and biotechnology all derive from molecules found in nature. Science does not make new genes. Rather, science and technology rearrange them into new combinations. This activity is as old as the breeding of domestic crops and animals, but today we can leap new barriers — engineering microorganisms, for example, to produce insulin. All these advances add sophistication to the more traditional hunt for medicines in nature — vastly speeding up — biochemical prospecting and making the search for medicinally useful molecules in nature more competitive with computer designed molecules.

Further, nature, with billions of years of experimentation, contains potential no scientist and no computer can envision.

Further out on the horizon is nanotechnology — the ultimate in miniaturization. This is technology based at the scale of the molecule, and draws on the incalculable variety of naturally engineered molecules that make living things work. DNA, with its vast capacity to store and transmit information, is now being experimented with for some new forms of computation.

In sum, we are at the threshold of an age in which wealth will be generated from nature at the level



"And are we going to protect some silly endangered species just because it lives in some national forest we want to give away?"

of the molecule, drawing on the ancient history of life on earth. The wealth of nations has traditionally been based on physical, human and natural resources. Henceforth, it will depend to a growing extent on biological resources. Recognizing what molecules from nature can do is similar to recognizing that the real value of a computer chip lies in what the chip can do — and not just its silicon content.

Endangered species legislation may be embattled, and the treaty on biological diversity is languishing. In contrast, businesses in America and elsewhere in the world clearly see the current value and vast potential of biological resources.

The writer is a counselor to the secretary of the Smithsonian Institution. He contributed this comment to *The New York Times*.

LETTERS TO THE EDITOR

A Showdown Over Cars

If there is anything more wearisome than the O.J. Simpson trial, it is the nonstop Japan-bashing by American automakers and their "representatives" in the U.S. government. I speak as an American living abroad.

What does the U.S. threat of imposing punitive tariffs on certain Japanese-made cars have to do with free trade? One suspects that there must be more to the problem than tight Japanese markets.

American car makers have finally caught on that the Japanese drive on the left side of the road, and thus

much prefer cars with left-hand steering. Are these same companies yet aware that the Japanese in general prefer relatively small cars, and thus see no reason to abandon the time-tested quality of Japanese compacts? This is the case for many Americans as well.

One might ask why such U.S. companies as Coca-Cola and Motorola don't bellyache night and day about Japanese markets. They seem to have hit on how to make and sell wanted products.

On the other side of the coin, one hopes the Japanese do not stop buying American agricultural products. One hopes even more that they don't

stop buying American debt — unfortunately, one of America's most "successful exports" — up to now.

DALE OTT,
Geneva.

Turkey and the West

Thomas L. Friedman ("Pay Attention as Turkey Seeks Its Way in a Rough Neighborhood," *Opinion*, May 18) urges that the West help Turkey. His advice is wrong.

Turkey purports to be a democracy and a country of law on par with the European countries. That is a façade. It is not the people but a

group of generals who wield the absolute power.

Turkey needs to put its own house in order before qualifying as a good neighbor. Despite the bloody history of the Continent, Western Europe is at peace today. Its residents enjoy the fruits of liberty. Over the course of centuries, institutions responsive to the needs of the people have taken roots in one country after another. Their absence in Turkey makes the Europeans, rightly so, quite leery.

Mr. Friedman asserts that many members of the European Parliament have a romantic attachment to the cause of Kurdish nationalism.

History tells us that no nation is selflessly attached to the liberty of another out of goodwill. If the Europeans are concerned about the plight of the Kurds, it is because close to one million of the Kurds have been forced to seek refuge in Europe.

The Kurdish diaspora in Europe is restless. The fires that rage in their homeland and the bombs that maim their loved ones have taken them time and again to the gates of European institutions to urge the Europeans to curb the savagery that is Turkish democracy.

KANI XULAM
Brussels.

BOOKS

COMMIES, CROOKS, GYPSIES, SPOOKS & POETS:

Thirteen Books of Prague in the Year of the Great Lice Epidemic

By Jan Novak. 202 pages. \$22. Steerforth Press.

Reviewed by John Allison

JAN NOVAK should not be chided for tuning in to a discombobulated account of his family's year in post-Communist Prague. Life in Prague is discombobulated, incohesive and, to use a common Czech word, absurd; only a con man would write a neatly crafted narrative. To praise Novak in a way anyone who has lived in Prague would recognize, the book is the equivalent of a pub conversation with an affable stranger that becomes an all-night marathon of beer-fueled wisdom.

A Czech-born novelist who writes in American English, Novak left Czechoslovakia with his parents in 1969 at age 16. They spent a year in an Austrian refugee camp and landed in the Czech-American capital of Chicago, where he still lives. The father was an odd sort of political dissident: He had embezzled a tidy sum

from his company, acting out on a grand scale the pilfering that most citizens of communist Czechoslovakia engaged in to maintain equilibrium. The family fled exactly one day before the scheme was uncovered.

Though mentioned in passing, the less-than-heroic circumstances of Novak's departure are central to the book. He shows up in 1992 free of the burdens of martyrdom. He is free to admit that his wife (also Czech-born) wanted to spend a year in Prague with their two children to reconnect with their homeland and witness events during this fascinating period of history — "yet the bottom line for our decision was our mortgage." Money was tight.

The Novaks needed a car. They decided to buy a Czech-made Skoda. It was affordable and, they imagined, a good way to feel Czech again. Assuming that capitalism had caught on, Novak made the mistake of thinking he could go to a car dealer, waltz in and buy a car. The dealership, "a blast from the Socialist past," was not in the habit of selling cars to just anyone. Novak turns to connections in his hometown of Kolin, for in this "Provincial Town of Thirty Thousand

Souls was supposed to be a Practically New Automobile (owned) by a Brand New Entrepreneur."

The deft portrait of this "entrepreneur" sheds light on the underside of the Czech economy. In addition to being a boor, the guy is a crook. He tells Novak how he rigged the privatization process to get hold of the town's choice properties, which he milks dry and abandons.

Novak comes to believe that "in the provinces of the land, something else was happening entirely. It was the Old Grab, it was about who could rip off more of what was being given away in Czechoslovakia." Novak's year in Prague (July 1992 to July 1993) was eventful, and his commentary on politics is

humane though not exactly original. His take on the January 1993 split of Czechoslovakia is pithy: "No referendum was ever held because, finally, no one in Prague really gave a damn."

"Commies, Crooks, Gypsies, Spooks & Poets" doesn't quite jell as a book. But it provides the valuable service of getting into print many of the choice stories that have fallen through the cracks of journalism and academic research, as well as distilling the atmosphere of an era that will rank among the greatest hits of Prague mythology.

John Allison, op-ed editor of the *Pittsburgh Post-Gazette*, lived in Prague from 1990 to 1994.

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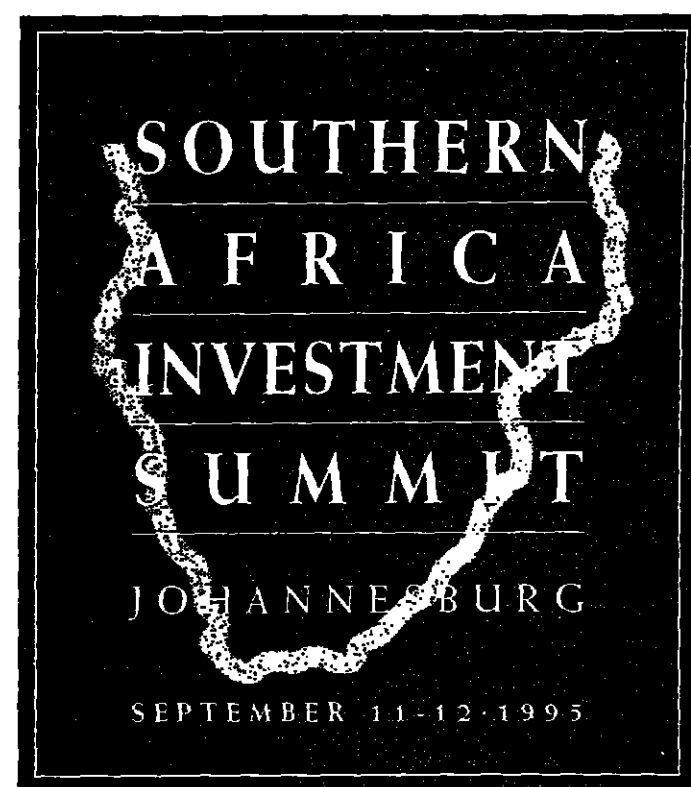
BEST SELLERS

The New York Times
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

Week	Rank	Book	Author
1	1	THE RAINMAKER, by John Grisham	John Grisham
2	2	LET ME CALL YOU SWEETHEART, by Mary Higgins Clark	Mary Higgins Clark
3	3	LASSER OF YEARS, by Anne Tyler	Anne Tyler
4	4	THE CELESTINE PROPHECY, by James Redfield	James Redfield
5	5	POLITICALLY CORRECT BEDTIME STORIES, by James Finn Garner	James Finn Garner
6	6	THE BRIDGES OF MADISON COUNTY, by Robert James Waller	Robert James Waller
7	7	MOJO, by Jane Smiley	Jane Smiley
8	8	BEAUTY FROM ASHES, by Eugenia Price	Eugenia Price
9	9	MIND PREY, by John Sandford	John Sandford
10	10	BORDER MUSIC, by Robert James Waller	Robert James Waller
11	11	ONCE UPON A MORE, ENLIGHTENED TIME, by James Van Der Zant	James Van Der Zant
12	12	PHENOMENAL WOMAN, by Mary Anne Radzicki	Mary Anne Radzicki
13	13	THE CAROUSEL, by Peter Mayle	Peter Mayle
14	14	A DOG'S LIFE, by Peter Mayle	Peter Mayle
15	15	THE GLASS LAKE, by Maureen Binchy	Maureen Binchy

2	IN RETROSPECT, by Robert S. McQuinn with Brian VanDerMark	1	5
3	SISTERS, by Carol Saline	2	22
4	LISTEN TO MY HEART, by Kathleen Lee Gifford and Cindy Gifford	3	2
5	MIDNIGHT IN THE GARDEN OF GOOD AND EVIL, by John Berendt	4	64
6	MY LUCKY STARS, by Shirley MacLaine	5	4
7	FROM BEGINNING TO END, by Robert Feligman	6	6
8	THE DEATH OF COMMON SENSE, by Philip K. Howard	7	15
9	NO ORDINARY TIME, by Davis Eames Goodwin	8	19
10	KATHERINE HOPKINS, by Barbara Levin	9	1
11	THE BOOK OF VIRTUES, by William J. Bennett	10	75
12	SLEEPING AT THE STARLITE MOTEL, BY Bailey White	11	1
13	COUPLEHOOD, by Paul Reiser	12	38
14	LET, by C. David Heymann	13	14
15	PAULA, by Isabel Allende	14	2

ADVICE, HOW-TO AND MISCELLANEOUS			
1	IN THE KITCHEN WITH ROSIE, by Rosie Daley	2	51
2	MEN ARE FROM MARS, WOMEN ARE FROM VENUS, by John Gray	1	105
3	THE SEVEN SPIRITUAL LAWS OF SUCCESS, by Deepak Chopra	3	10
4	HOW TO ARGUE AND WIN EVERY TIME, by Gerry Spence	3	3



The International Herald Tribune and the European Federation of Financial Analysts' Societies have gathered a distinguished group of government, business and finance leaders to address this high level meeting focusing on trade and investment opportunities in Southern Africa. They include:

- NELSON MANDELA, President of South Africa
- H.E. SIR KETUMILE MASIRE, President of Botswana and President of the Southern African Development Community
- ARISTON CHAMBATI, Chairman and Chief Executive, TA Holdings
- SOL KERZNER, Chairman, Sun International
- CHRIS LIEBENBERG, Minister of Finance, South Africa
- GRAHAM MACKAY, Chief Operating Executive, South African Breweries
- DR. JOHN MAREE, Chairman, Eskom
- DR. BINGU MUTHARIKA, Secretary General, COMESA
- JAY NAIDOO, Minister without Portfolio with Responsibility for the RDP, South Africa
- RONALD PENZA, Minister of Finance, Zambia
- CHRIS STALS, Governor, Reserve Bank of South Africa
- LL TSUMBA, Governor, Reserve Bank of Zimbabwe

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Herald Tribune
THE NEW YORK TIMES PUBLICATION

'Vixen': Exhilarating Kickoff

By David Stevens
International Herald Tribune

PARIS — With the arrival of Leos Janacek's "Cunning Little Vixen," the Théâtre du Châtelet is off to an exhilarating start on its ambitious project to produce the Czech composer's major operas over the next few seasons.

This cycle could very well change Janacek's situation in France, where his operas have not found the fertile ground that they have in the German- and English-speaking countries. The rhythms and accents of French are not hospitable in translation to the composer's Czech-based musical speech, and the original-language approach to opera production has only relatively recently expanded to include Russian and Czech.

Except for guest performances in Paris in 1957 of Walter Felsenstein's celebrated "realistic music theater" version, a German-language staging from the Komische Oper of Berlin, this appears to be the first appearance of "Vixen" in France, and it takes place under outstanding auspices.

The conductor, Sir Charles Mackerras, has been a tireless champion of Janacek's music for almost half a century. The splendidly integrated production, staged by Nicholas Hymen, captures both the work's rustic comedy and its profound humanity, and makes ample use of rich contributions by his colleagues — Jean-Claude Gallotta's choreography, Bob Crowley's sets and cos-

tumes, and Jean Kalman's lighting. The large cast of human and animal characters has only one star presence, Thomas Allen as the Forester, reinforced by French and other Westerners. Behind the scenes, there has also been the key presence of Yveta Synek Graff as linguistic adviser for both pronunciation and surtitles.

The story is little more than an episodic sequence of events. The Forester captures the Vixen Sharp-Ears and takes her home, where she is tormented by children, staves off the dog's amorous approaches, raises havoc among the chicken population and escapes. She disposes the badger from his lair, falls in love with the debonair Fox Golden-Mane and immediately starts a large family, pausing briefly to be married by the Woodpecker. Sharp-Ears is killed by a poacher, and when the Forester passes through again he spots her look-alike daughter and has a brief encounter with a young frog, who explains that he is not the frog of the first act, but his grandson.

BESIDES the Forester, the human characters include a country priest, a teacher, an innkeeper, and a couple of wives. They spend some time drunkenly lamenting lost youth, and some of them have vague personality traits relating them to animals. The final scene, a monologue by the Forester, is an unsentimental but deeply felt hymn to the life cycle and nature, and to Janacek's

pervasive pantheism. The composer got the story from an illustrated tale in a local Brno newspaper, a kind of comic strip, and Hymen's production takes its cue from that beginning. The stage is bathed in green light, stylized trees and the occasional building slide on and off, the badger's home is a huge armchair with lupine arms. Sharp-Ears and Golden-Mane make love in a huge bed whose reddish cover might be a bed of leaves. Animals and insects take over the stage from time to time in Gallotta's lively choreography. The tone slides toward Disneyism only once, in a comic Fox family picnic complete with folding chairs.

Under Mackerras's knowing direction, the Orchestre de Paris gives a good account of itself, often better than good, but on occasion too elegant to be convincingly idiomatic and blend with Janacek's vision of the rustic atmosphere.

Allen's warm baritone is amply deployed as the Forester, his acting conveys the role's rough humanity, and his Czech is authoritatively said to be just about perfect. The Slovak soprano Eve Jenis and the Czech mezzo Hana Minutillo are captivating as Sharp-Ears and her elegant mate, and Richard Novak — a veteran bass from the Janacek Opera in Brno — does a marvelous double turn as the priest and the badger who so resemble each other. But the whole cast is fine, down to and including the kids of the Maitrise des Hauts-de-Seine.

Waiting Out the Big One in Cannes

By Joan Dupont
International Herald Tribune

CANNES — On the last day of this black-and-white, fade-to-black festival, few were left to pick up their prizes. Manoel de Oliveira and Catherine Deneuve ("The Convent") had been told they could go home early, as had Jim Jarmusch and Johnny Depp ("Dead Man").

At 5 P.M., before the awards were announced, Mathieu Kassovitz was having a salad and coke on the beach. The French filmmaker had been up partying after the gala screening of "Hate." A second film, his first in competition, "Hate" describes 24 hours in the lives of friends from different backgrounds — African, Arab and Jewish — in a suburban ghetto. Even before the festival began, word of mouth had positioned the movie, made in gritty black and white, for a big prize: pressure built to love "Hate." The filmmaker was cool: The news could only be good.

In his room at the Hotel Majestic, Theo Angelopoulos was too nervous to talk. The Greek director's "Ulysses' Gaze," a three-hour odyssey through the Balkans, shot in winter, was up against Emir Kusturica's three-hour "Underground," a flamboyant black comedy shot in Prague and the former Republic of Yugoslavia. A Slavic carnival of a movie, with sets designed by Miljen Krizakovic, alive with Gypsy music, Kusturica's audacious venture was favored to win the Palme d'Or over the more reflective Greek film, although the director of "When Father Was Away on Business" had played a decade ago.

Angelopoulos has been making movies since 1970; he has won prizes — but never the Palm — and has sat on juries himself. He knows there is a trend to celebrate the new over the déjà vu. Impatient to leave, he had been told to stay on, and he would get his reward. No news, two hours before the ceremony, was bad news.

Hou Hsiao Hsien, the Taiwanese director of "Good Men, Good Women" and winner of the Special Jury prize two years ago at Cannes for "The Puppet Master," had been told his film would win nothing, which will not help his career in a home market inundated with action films from Hong Kong. A contemplative filmmaker, a

spinner of intricate plots, Hou sat in his room and watched the awards ceremony on television.

This year the awards went to the French: a Jury Prize for Xavier Beauvois' "N'Oubliez pas que tu vas mourir"; two prizes for Christopher Hampton's "Carrington," a French co-production, and the director's prize for Kassovitz. When Angelopoulos heard the Grand Prix announced and his name called, he winced and got to his feet.

"I had prepared a speech for the Golden Palm — I'll forget about that now," he said. A bad sport, bristled the audience; a sad joke, the filmmaker admitted later, but he made it clear that the Grand Prix, for him, was a petit prix: "I'm not bitter, there's no reason to be bitter; the jury is always right. But I didn't have to be here for that — my producer could have picked up the award — and I heard that Ken Loach was on his way back and then told, 'Never mind.' We're not young people starting up."

It appeared that Loach whose "Land and Freedom," about the Spanish Civil War, was also a favorite, had actually boarded the plane in London when news arrived that he had been squeezed out of the race.

The veteran front-runners had made movies about the betrayal of the socialist dream — "At least at the beginning of the century there was a dream; now there is nothing," said Angelopoulos — and the jury had responded by applauding Kusturica's approach and relegating the Greek filmmaker to second place.

THE appropriate prize is a boost — it means the film is on its way to other festivals, distribution abroad, and that funding future movies will be easier. Cannes has been vital to Angelopoulos' career since "The Travelling Players," (1975) won the Critics Award. Despite his name, and the fact that he has been the subject of a retrospective at the Museum of Modern Art, this latest film has not yet been invited to the New York Film Festival, nor does it have U.S. distribution assured.

"I was disappointed that this jury's choice went to a more commercial film, a film that doesn't need a prize. The cinema is going through hard times and people react as if you have to go out and grab audiences. Actually, they are accelerating the slide, the takeover by television. If we impoverish the

unique language of cinema, we destroy what makes it unique, an art that ranges from the most demanding and difficult expression to the most commercial."

"Emir has made a TV series. I respect his work, but when you have a \$25 million production, you can't control your movie — it has to be commercial. His film is a French production, with funding from Serb television and German money. It's nice to make a movie that sings and dances, but you have to reflect, too; his way of seeing things is not mine. He may live the drama of Yugoslavia from the inside; I visit it from outside. Our visions are not the same."

The filmmaker, who studied cinema in Paris, lives in Athens; his screenwriter, Tonino Guerra, is an Italian poet. "Poets like T.S. Eliot, Pound and Rilke echo in me and infuse my everyday language. When I first came to Paris, everybody on the Métro read. But this generation is different; this is a generation that doesn't live with books."

Kassovitz, who is 27, is not a reader, nor does he believe in prizes: "I never liked getting marks at school," he said, "so I don't like it now. Success doesn't mean anything good; it makes you rotten — when you get what you want easily, you lose your appetite."

Kassovitz, who made a short titled "Fierrot le Pou," says it is not in tribute to Godard: "I like Monty Python, the Marx Brothers, action and karate movies; the movies everybody likes." His first feature, "Métisse" (Café au lait), opened in New York without having premiered at the festival, and won him a reputation as a French Spike Lee, which irritates him. He has none of Lee's swagger, and his gentle manner contrasts with his new movie's harsh title — "A movie has to have a strong title and poster," he says, "to get people into the theaters. But I don't like the image that the press is putting out to sell the movie."

Although he has a list of hates — "I hate morons who think my movie is about rap" — he refers to the values he grew up with. "My parents taught me how to observe the world around me — but I'm not a bourgeois. I know the street scene. The kids in my movie come from difficult homes."

Kassovitz is already on to his next movie, titled "Assassins."

BRITISH THEATER



Clockwise from top left: Scenes from "Hot Mikado," two from "Absolute Hell," and "Taking Sides."

In 'Taking Sides,' Art and Politics

By Sheridan Morley
International Herald Tribune

LONDON — Opening the season on Chichester's Minerva stage, there is a simply stunning performance by one of our greatest if oddly underrated actors: In Ronald Harwood's "Taking Sides," Daniel Massey stars as Wilhelm Furtwängler, the German conductor reckoned by many to have been a Hitler collaborator. We meet him in 1946, in an American Army office in Berlin where he is trying to get himself "de-Nazified" so that he can pick up his international career.

Harwood sets up against him a deliberately nonmusical "American major" (Michael Pennington) determined to get the bandleader, as he calls him, to account for his crimes. The problem is that nobody can be entirely sure what these were. Did Furtwängler stay in Germany through the '30s and '40s because he thought that as a non-Jew he could do a bit of good by keeping great music alive or, still more importantly, a few Jewish people alive by helping them flee? Or did he stay simply to further his own career and see off von Karajan, the young pretender to his podium — just in case Hitler was going to win the war?

Now there is another problem: Why is the major so determined to nail him, when von Karajan and countless rocket scientists are actually being welcomed to the United States? Did the Americans have something more lethal on Furtwängler's wartime activities than that under duress he conducted a couple of Hitler's birthday concerts? If they did, we are not told. Harwood ef-

ficiently recaps the case but never takes it any further, allowing his play simply to rehearse the old debate about whether art can ever undertake politics.

Which throws us back, in Harold Pinter's rather static production, on the two central performances: Pennington has the raw Philistine strength of the major, but it is Massey's mesmerizing, manic turn that will live for years in the memory.

Since the National Theatre has finally caught up with the dramatist Rodney Ackland, certain truths need to be established about his masterpiece, "Absolute Hell." No, this is not "English Chekhov"; it fits into a separate tradition, which runs from Vicki Baum's "Grand Hotel" through Coward's "Semi-Monde" to Rattigan's "Separate Tables," whereby you set a large number of representative types in a hotel or nightclub and then tell their separate but interlocking stories as a pattern of the times in which they are struggling to stay afloat.

The time here is that of the Labor election victory of 1945, and Ackland's people are the flotsam and jetsam of Soho: critics, film producers, alcoholic barwomen, suppressed gays, all trying to work out how to survive the peace now that they have won the war.

Marshaling a cast of almost 30 across John Guter's symbolically self-destructing set, Anthony Page's epic production allows Judi Dench to rampage around the bar as the mistress of these semi-suicidal revels. The reason for Ackland's unpopularity, especially with this "libel on the British people" as it was first condemned, was that he saw all too clearly that having won the war was not enough. If we were not

to lose the peace, we would have to learn to live with each other, and that we clearly still weren't going to manage.

Perhaps because, by its very weird Japanese-Victorian nature, "The Mikado" is already a parody, it has always lent itself to others. We have had "Black Mikado," "Cool Mikado," "Rock Mikado" and now, from Ford's Theatre in Washington to the Queens, we get "The Hot Mikado," this one updated by the director-choreographer David Bell and the orchestrator Rob Bowman to 1940s Broadway.

Ross Lehman does a remarkably accurate impression of Bert Lahr as KoKo, and Sharon Benson suggests what Ethel Merman might have been like as Carmen Jones. Their duets are the highlight of an otherwise rather patchy and uncertain revamp, though the tap-dancing of the Mikado (Lawrence Hamilton) is a reminder of vintage Broadway talent long gone elsewhere.

The real problem is: Why bother? Gilbert & Sullivan works very well for a modern, Broadway-minded audience if (as in the classic Central Park "Pirates of Penzance" a decade or so ago) they are simply given the Bob Fosse big-band treatment and allowed to stand more or less as written. But if you uproot an already rootless show and move it around in time or space just for the hell of it, with no real idea of what you want to say, the return is bound to diminish.

In the end, energy is not enough; there has to be some kind of focal idea or coherent philosophy instead of just another revamped song. This is the disco-retro "Mikado," and it makes me, for the first time, nostalgic for the real one.

Glyndebourne's 'Ermione' Lets the Singers Be Stars

By Henry Pleasants

GLYNDEBOURNE, England — Time was — and I'm old enough to remember it — when one went to the opera to hear singing and singers, ideally good actors, too. Producers were called regisseurs or stage directors, and directed traffic, leaving the singers to get on with their work.

I found myself carried back to that happily remembered era by the first staging in Britain of Rossini's "Ermione," adventurously chosen to open the 1995 season of the Glyndebourne Festival Opera. Here was singing, much as it may have been in Rossini's time, and not just by one leading artist, but five, including not one tenor,

but three. A first-night audience shared and reflected my gratitude. Glyndebourne's daring — it was the festival's first venture into Rossini's "opera seria" — has paid off with a bit.

"Ermione" (Hermione, the daughter of Helen of Troy) has a curious history, given but one performance in Naples in 1891, and not heard again, anywhere, until about 20 years ago, most notably in a staged production for the Rossini Festival in Rossini's native Pesaro.

Not everything in "Ermione" is top-drawer Rossini, but there is enough to make it a memorably rewarding evening if sung, played and conducted as it is here (by the London Philharmonic under Glyndebourne's musical director, Andrew Davis).

The plot of "Ermione," drawn from Racine's

"Andromaque," is as complex as the opera's history, recounting the entangled emotional relations among such storied names as Andromache (Hector's widow), Hermione, Pyrrhus (Achilles's son), Orestes and his friend Pylades. It is not always easy to be sure about who is angry with whom or why.

It doesn't matter. What matters is what Rossini gave his singers to sing.

At Glyndebourne, what he gave them to sing is sung wonderfully well by all concerned: Anna Caterina Antonacci in the title role; Diana Monaghan as Andromache; Bruce Ford as Orestes; Jorge Lopez-Yanez as Pyrrhus and Paul Austin Kelly as Pylades.

My only reservation has to do with what these fine singers are asking of their voices in singing at

today's international pitch what Rossini wrote for his singers when the Neapolitan pitch was a semitone to a whole tone lower.

And, oh, yes, the production. Graham Vick and his designer, Richard Hudson, have seen fit to stage "Ermione" in a 19th-century theater, with more or less Victorian costumes. I would have preferred Troy, but it doesn't matter. It looks good and it doesn't get in the way of the singers.

The Glyndebourne season continues through Aug. 27. Other productions are Sir Harrison Birwistle's "The Second Mrs. Kong"; Mozart's "La Clemenza di Tito"; Janacek's "The Makropoulos Case"; Mozart's "Don Giovanni"; and Tchaikovsky's "Pique Dame."

(Further performances of "Ermione" June 3, 5, 10, 17, 19, 22, 24, 27 and July 2, 9 and 12.)

Probe Widens in Case of Missing Medieval Pages

By William H. Honan
New York Times Service

COLUMBUS, Ohio — As federal agents gathered evidence in the case of Anthony Melnikas, an Ohio State University art history professor who recently gave a rare-book dealer two pages stolen from an ancient manuscript, longtime colleagues and former students discussed a series of problems that Melnikas had had over the years.

"I wasn't surprised when I read that he was being questioned by Customs agents," said Franklin Ludden, an emeritus professor and former chairman of the department of art history at Ohio State, where Melnikas has been on the faculty for 34 years.

Ludden's comments reflected those of other critics of Melnikas, whom they described as a poor scholar who had come under an ethical

cloud before, including being accused of appropriating his students' ideas.

Melnikas, 68, has not been charged with any offense, and he has dismissed the whole affair as "a simple matter."

Melnikas came under federal investigation this month after the book dealer, Bruce Ferrini of Akron, and James H. Marrow, a professor of art history at Princeton University, determined that the two manuscript leaves that Melnikas had given Ferrini were stolen from the Vatican Library sometime after 1983.

Ferrini said the leaves were from a manuscript owned by Francesco Petrarch, the 14th-century poet and father of the Italian Renaissance. Ferrini called them "the best leaves to come on the market this century" and valued them as being worth at least \$500,000.

Now, Ferrini says he is suspicious of other artworks that Melnikas recently gave him. These include two other 14th-century

manuscript pages that appear in Ferrini's current sales catalogue; one is valued at \$25,000 and the other at \$7,500.

The more valuable of these two pages, Ferrini said Monday, was torn from a 14th-century copy of the Justinian Code, a compilation of law made under the 6th-century Roman Emperor Justinian the Great.

Ferrini also said that on April 11 Melnikas gave him "a 4-inch-thick dossier of Old Master prints" that he described as "part of my wife's inheritance." Ferrini did not estimate its value.

Ferrini said that the Internal Revenue Service, which is investigating Melnikas along with Customs and the U.S. attorney for the Southern District of Ohio, took that material last week.

Ferrini said that Melnikas also gave him a 19th-century watercolor painting, a folio edition of Hogarth prints to be appraised and

returned and two copies of a three-volume work on medieval manuscripts of which Melnikas is the author.

In a wide-ranging interview, Melnikas, who has refused to answer most questions from reporters, said he gave the latest pair of manuscript leaves to Ferrini on May 4 but did not intend to sell them.

In response, Ferrini produced handwritten notes about his meeting with Melnikas on May 4 in which the professor was recorded as saying that he was eager to have the sale concluded before June 30, when he planned to use the proceeds to establish a scholarship fund to further the study of ancient manuscripts.

Ferrini has also told law-enforcement authorities that a witness can corroborate his recollection of the conversation.

Last Friday, federal agents searched university records and interviewed Melnikas' superiors and associates.

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Dining Out

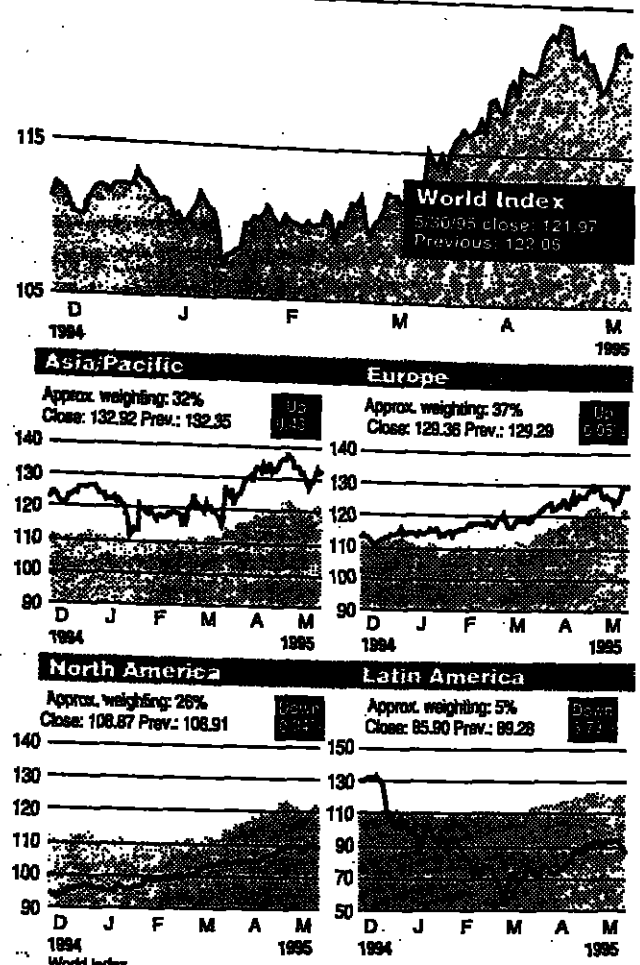
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WEDNESDAY, MAY 31, 1995

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The index tracks U.S. dollar value of stocks in Tokyo, New York, London, and other major markets. The index is composed of the 80 top issues in terms of market capitalization, otherwise the top 100 issues are tracked.

Industrial Sectors	Close	Prev.	% Change
Energy	124.51	125.39	-0.8%
Utilities	131.87	132.44	-0.5%
Finance	122.41	122.00	+0.3%
Services	113.79	113.81	-0.02%
Capital Goods	124.78	125.94	-0.9%
Raw Materials	138.27	139.79	-1.0%
Consumer Goods	118.08	115.70	+0.3%
Miscellaneous	132.04	132.57	-0.4%

For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92221 Neuilly Cedex, France.

A New Single-Currency Showdown

Banks Decry Gap Between EMU and Actual Use of Money

By Tom Buerkle
International Herald Tribune

BRUSSELS — European bankers and industrialists increasingly fear that governments lack the political will to create a single currency by the end of the decade, despite signs that most European Union countries will be able to meet the economic criteria for doing so.

The fear has been generated by planned delays between the beginning of monetary union, which is expected on Jan. 1, 1999, and the actual use of the new single currency by governments, banks and consumers.

The delays, according to some in the business and financial sectors, would hamper their ability to plan ahead, fan speculation that governments might actually abandon the idea of a single currency and encourage speculation after exchange rates were fixed.

But central bankers and finance ministers have defended the delays as necessary to mint new notes and coins and to allow banks and vending-machine operators to invest in new equipment and procedures.

The biggest fears center on Germany and its willingness to give up the Deutsche mark, the powerful symbol of its postwar economic success.

"It's a political problem dressed up as

a technical problem," said Graham Bishop, an economist at Salomon Brothers Inc. in London and a member of a private-sector panel that has urged a fast switch to a single currency. "The German political class has not got to grips with the problem of telling their people what they've committed themselves to do."

German reticence has surfaced in advance of the publication on Wednesday

Italy sets goals to meet European Monetary Union criteria. Page 15.

of the European Commission's blueprint for adopting a single currency.

Draft versions of the paper suggested that it could take as long as five years after monetary union for a European central bank to get notes and coins in the new currency into circulation, according to officials who have seen the draft.

To prevent such a delay from undermining the credibility of the single currency, the draft cited a need to quickly develop a critical mass of financial transactions in the new currency. It suggested that governments taking part in monetary union immediately denominate all borrowings and conduct all transactions with the European central bank in the new currency.

Jürgen Stark, head of international affairs in the German Finance Ministry, dismissed that idea as "naïve" at a meeting here last week, asserting that German investors would only buy mark-denominated bonds as long as the German currency remained in circulation, according to EU officials.

Although Germany has been the most vocal critic, commission officials acknowledge that Austria and the Netherlands have also expressed little desire to introduce such a currency quickly.

The broad message from EU central bankers and finance ministers to the draft has been, "Don't hurry, wait and see," one EU official said. Many bankers do not buy that line, however.

Karsten Kaempf, an executive at Dresdner Bank AG, said a delay in introducing a single currency would force banks to operate costly dual accounting systems and keep alive the risk of market turbulence that monetary union is supposed to eliminate.

"If you want to construct a currency," he said, "you don't leave the door wide open to speculators. It doesn't make sense."

As for consumers, EU Economics Commissioner Yves-Thibault de Silguy told the European Parliament last week that the Union needed to take time to "teach people to love the currency."

Boeing's 777 Gets Early FAA Approval

By Don Phillips
Washington Post Service

WASHINGTON — Boeing Co.'s new wide-body 777 became on Tuesday the first twin-jet aircraft ever to receive early certification to fly over the world's oceans, up to three hours from the nearest airport.

The coveted over-water designation, previously given only after a two-engine aircraft proved its reliability in regular over-land service, is the payoff of a gamble by Boeing, which marketed the 777 as an intercontinental jet, and United Airlines, which has extensively advertised its use in trans-Atlantic service.

The Federal Aviation Administration's expected blessing for 180-minute Extended-Range Twin-Engine Operations will come just in time for the 292-seat wide-

body's planned June 7 inaugural passenger flight, United Airlines Flight 921 from Heathrow airport in London to Dulles International Airport in Washington.

The designation is the culmination of one of the most intensive flight-test programs ever, in which one of the new 777s was kept in the air almost constantly for more than 1,000 flights.

"ETOPS looks very good," Anthony J. Broderick, the FAA's associate administrator for regulation and certification, said. "I don't really anticipate any glitches."

The early designation has been somewhat controversial, with the Air Line Pilots Association among the groups opposing it. The 777 will now be closely watched for failures. But Mr. Broderick said the plane was a "remarkable achievement" that has proved itself spectacularly through Boeing's unusual design process

that involved not only engineers but almost everyone who would use the plane.

The early designation means the 777 must be able to fly for at least three hours on one engine and reach an airport with facilities capable of allowing it to land safely. That effectively covers all of the world's air routes. The only area outside of that range is over the Pacific Ocean off the west coast of South America, which does not have any commercial air routes.

The 180-minute designation is particularly important to United because the airline plans to use the plane on routes to Hawaii. Air routes from the U.S. mainland to Hawaii are the longest on earth.

United could still fly trans-Atlantic without the 180-minute designation by taking long routes to stay nearer airports in Iceland or Greenland.

Alcatel Stock Lifted by Hope For New Chief

Compiled by Our Staff From Dispatches

PARIS — Alcatel Alsthom shares rose 3.8 percent on Tuesday amid reports that Serge Tchuruk, chairman of Total SA, would replace Pierre Suard as Alcatel's chairman.

A special board meeting at Alcatel Alsthom ended late Tuesday, but the company did not say if it had made a decision concerning the nomination of a new chairman. According to French press reports, the board had met to discuss the appointment of Mr. Tchuruk.

A spokesman for Total said Mr. Tchuruk had been offered the top post at Alcatel.

Alcatel shares rose Tuesday as much as 19 French francs before retreating to close 16.20 francs higher, at 438.70 francs.

"It's positive for the stock and for the company," said Ian Macleod, an analyst with NatWest Securities Ltd. in Paris. "Tchuruk has a very good reputation, presiding over a five-year transformation at Total."

If he could achieve the same at Alcatel, it could help turn around the company's declining profits, the analyst said. The company's profit were cut in half last year.

Mr. Tchuruk's appointment, although unlikely to bring any

immediate change to Alcatel's

bottom line, would mark the end

of a difficult period for one of

France's blue-chip companies.

Not the least of the company's

problems has been the investigation

and arrest of several company executives amid fraud

allegations. Mr. Suard was indicted in March on charges that

Alcatel overbilled a major customer, France Telecom, and

that Mr. Suard had misused company funds. He was barred

from carrying out his duties as chairman, and a management

committee was given a mandate in April to find a replacement.

Meanwhile, with Mr. Tchuruk's 10-year plan in place at

Total, his exit was not likely to

hurt France's second-biggest oil company, analysts said. Trading in Total shares was suspended for the day.

The end of Mr. Suard's reign at Alcatel coincides with the emergence of a new telecommunications environment in Europe that will end cozy relationships between telephone operators and equipment suppliers. Preparing for deregulation, telephone companies have reduced orders and demanded lower prices from equipment makers.

That shaved 1994 net profit by 49 percent, to 3.6 billion francs (\$736 million), in 1993.

(Bloomberg, Reuters)

One Snag Blocks Sprint Accord With Europeans

AFX News

KANSAS CITY — Sprint Corp. said on Tuesday that its negotiations on a new partnership with Deutsche Telekom AG and France Telecom were continuing but that one issue remained to be resolved.

Earlier on Tuesday, the German company said its supervisory board had given preliminary approval to the deal.

Although a Sprint spokesman said the Deutsche Telekom approval was "one more small step" toward a final agreement between the companies, he stressed that the three companies were still working to resolve a single issue that has so far delayed a final agreement.

The companies did not state what the remaining disagreement was. They began negotiating an international partnership last year in which Sprint would sell a 20 percent equity stake to the two European telecommunications companies.

MEDIA MARKETS

Publishers Lose Control of Classics

By Mary B. W. Tabor
New York Times Service

NEW YORK — For the original publishers of Fitzgerald, Hemingway, Joyce and their contemporaries, the next few years are likely to be depressing, as they lose exclusive control over the classic literature of the 1920s.

Publishers such as Charles Scribner's Sons, Harcourt Brace & Co. and Houghton Mifflin Co. have for the better part of the century enjoyed the prestige — and often the substantial profit — that came with owning publishing rights to much of the rich literature of that era. But next year "Women in Love," "The Age of Innocence" and "This Side of Paradise" are among the books that will have been in print for 75 years, the magic age at which copyrights end in this country and the books enter the public domain.

This means, for example, that beginning next year anyone can publish F. Scott Fitzgerald's "This Side of Paradise," first offered by Scribner in 1920 — and they can charge whatever they want and not pay a nickel in licensing fees or royalties.

For readers, this move into the public domain is great news. With companies scrambling to publish the newly available titles, there will presumably be competitive pricing and a wider variety of editions of classics like Eliot's "The Waste Land" or Shaw's "Saint Joan." Readers may be able to find editions of these books that cost as little as \$1 for a

last-of-the-text-please paperback to \$24 for a nicely bound hard cover.

But for publishers, public domain is both a blessing and a curse. The blessing is obvious for the growing number of publishers eager to get a crack at Hemingway or Fitzgerald for the first time. "I'm rubbing my hands together now because we can finally publish 'The Age of Innocence,'" said Michael Millman

Copyrights on great literature of the 1920s are starting to expire.

of Penguin Classics, a unit of Pearson PLC, referring to the 1920 Edith Wharton novel, which enters the public domain at the beginning of next year.

There may still be fees to be paid for translations or notes that a publisher wants to include in new editions, but the publisher does not have to pay royalties to the author or the author's estate (typically 10 percent of the cover price).

In addition, there are fewer returns because bookstores tend to order classics conservatively.

By and large, such books sell extremely well. According to a recent study by Bantam Doubleday Dell Publishing Group Inc., more than 23 million copies of books referred to as classics are sold each year, with more than half of those going to high school and college book-

stores. Works such as "Huckleberry Finn" and "Hamlet" are cash cows, selling tens of thousands of copies annually.

Others enjoy a resurgence in popularity, often prompted by movie adaptations.

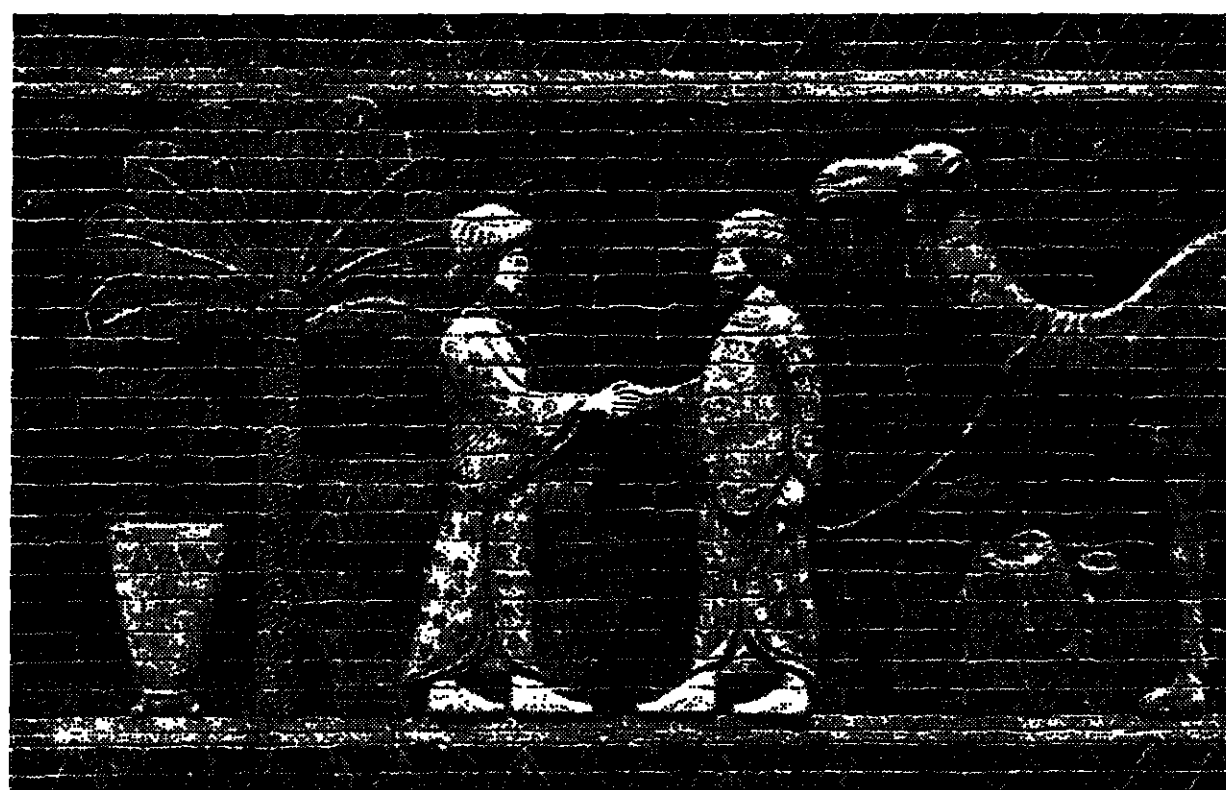
Luanne Walther, executive editor of Everyman's Library at Alfred A. Knopf, part of Advance Publishers Inc., said that since the company published "Little Women" last October in time for the December release of the Winona Ryder film, more than 50,000 copies of the \$15.95 hardcover book had been sold. "That's tremendous for a classic," she said.

The downside is that publishers lose their exclusive hold of highly coveted titles. In many cases, those books form the spine of a publisher's backlist, and when a title moves into the public domain the original publishers put out new editions with scholarly introductions and notes to preserve a share of the market.

The result is not always happy. In 1993, Willa Cather's "My Antonia," which was originally published by Houghton Mifflin, moved into the public domain. In 1994, at least seven new editions of the book appeared, from a \$2 paperback version by Dover Books to a \$24 hardcover from Buccaneer Books. Houghton Mifflin sold 1.5 million copies of "My Antonia" in 75 years, but when the book moved into the public domain the publisher saw its sales drop by more than half.

"Obviously you'd like to publish a successful book exclusively forever," said Joseph Kanon, head of the trade and reference division of Houghton Mifflin.

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	\$	£	D.M.	P.F.	FF	Yen	S.F.	Yen	CS	Pounds		Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU		United States	Close Price	Britain		Discount rate	6%	5%	3-month	6-month	9-month	12-month	18-month	24-month	36-month	48-month	60-month	72-month	84-month	96-month	108-month	120-month	132-month	144-month	156-month	168-month	180-month	192-month	204-month	216-month	228-month	240-month	252-month	264-month	276-month	288-month	300-month	312-month	324-month	336-month	348-month	360-month	372-month	384-month	396-month	408-month	420-month	432-month	444-month	456-month	468-month	480-month	492-month	504-month	516-month	528-month	540-month	552-month	564-month	576-month	588-month	600-month	612-month	624-month	636-month	648-month	660-month	672-month	684-month	696-month	708-month	720-month	732-month	744-month	756-month	768-month	780-month	792-month	804-month	816-month	828-month	840-month	852-month	864-month	876-month	888-month	900-month	912-month	924-month	936-month	948-month	960-month	972-month	984-month	996-month	1008-month	1020-month	1032-month	1044-month	1056-month	1068-month	1080-month	1092-month	1104-month	1116-month	1128-month	1140-month	1152-month	1164-month	1176-month	1188-month	1200-month	1212-month	1224-month	1236-month	1248-month	1260-month	1272-month	1284-month	1296-month	1308-month	1320-month	1332-month	1344-month	1356-month	1368-month	1380-month	1392-month	1404-month	1416-month	1428-month	1440-month	1452-month	1464-month	1476-month	1488-month	1500-month	1512-month	1524-month	1536-month	1548-month	1560-month	1572-month	1584-month	1596-month	1608-month	1620-month	1632-month	1644-month	1656-month	1668-month	1680-month	1692-month	1704-month	1716-month	1728-month	1740-month	1752-month	1764-month	1776-month	1788-month	1800-month	1812-month	1824-month	1836-month	1848-month	1860-month	1872-month	1884-month	1896-month	1908-month	1920-month	1932-month	1944-month	1956-month	1968-month	1980-month	1992-month	2004-month	2016-month	2028-month	2040-month	2052-month	2064-month	2076-month	2088-month	2100-month	2112-month	2124-month	2136-month	2148-month	2160-month	2172-month	2184-month	2196-month	2208-month	2220-month	2232-month	2244-month	2256-month	2268-month	2280-month	2292-month	2304-month	2316-month	2328-month	2340-month	2352-month	2364-month	2376-month	2388-month	2400-month	2412-month	2424-month	2436-month	2448-month	2460-month	2472-month	2484-month	2496-month	2508-month	2520-month	2532-month	2544-month	2556-month	2568-month	2580-month	2592-month	2604-month	2616-month	2628-month	2640-month	2652-month	2664-month	2676-month	2688-month	2700-month	2712-month	2724-month	2736-month	2748-month	2760-month	2772-month	2784-month	2796-month	2808-month	2820-month	2832-month	2844-month	2856-month	2868-month	2880-month	2892-month	2904-month	2916-month	2928-month	2940-month	2952-month	2964-month	2976-month	2988-month	3000-month	3012-month	3024-month	3036-month	3048-month	3060-month	3072-month	3084-month	3096-month	3108-month	3120-month	3132-month	3144-month	3156-month	3168-month	3180-month	3192-month	3204-month	3216-month	3228-month	3240-month	3252-month	3264-month	3276-month	3288-month	3300-month	3312-month	3324-month	3336-month	3348-month	3360-month	3372-month	3384-month	3396-month	3408-month	3420-month	3432-month	3444-month	3456-month	3468-month	3480-month	3492-month	3504-month	3516-month	3528-month	3540-month	3552-month	3564-month	3576-month	3588-month	3600-month	3612-month	3624-month	3636-month	3648-month	3660-month	3672-month	3684-month	3696-month	3708-month	3720-month	3732-month	3744-month	3756-month	3768-month	3780-month	3792-month	3804-month	3816-month	3828-month	3840-month	3852-month	3864-month	3876-month	3888-month	3900-month	3912-month	3924-month	3936-month	3948-month	3960-month	3972-month	3984-month	3996-month	4008-month	4020-month	4032-month	4044-month	4056-month	4068-month	4080-month	4092-month	4104-month	4116-month	4128-month	4140-month	4152-month	4164-month	4176-month	4188-month	4200-month	4212-month	4224-month	4236-month	4248-month	4260-month	4272-month	4284-month	4296-month	4308-month	4320-month	4332-month	4344-month	4356-month	4368-month	4380-month	4392-month	4404-month	4416-month	4428-month	4440-month	4452-month	4464-month	4476-month	4488-month	4500-month	4512-month	4524-month	4536-month	4548-month	4560-month	4572-month	4584-month	4596-month	4608-month	4620-month	4632-month	4644-month	4656-month	4668-month	4680-month	4692-month	4704-month	4716-month	4728-month	4740-month	4752-month	4764-month	4776-month	4788-month	4800-month	4812-month	4824-month	4836-month	4848-month	4860-month	4872-month	4884-month	4896-month	4908-month	4920-month	4932-month	4944-month	4956-month	4968-month	4980-month	4992-month	5004-month	5016-month	5028-month	5040-month	5052-month	5064-month	5076-month	5088-month	5100-month	5112-month	5124-month	5136-month	5148-month	5160-month	5172-month	5184-month	5196-month	5208-month	5220-month	5232-month	5244-month	5256-month	5268-month	5280-month	5292-month	5304-month	5316-month	5328-month	5340-month	5352-month	5364-month	5376-month	5388-month	5400-month	5412-month	5424-month	5436-month	5448-month	5460-month	5472-month	5484-month	5496-month	5508-month	5520-month	5532-month	5544-month	5556-month	5568-month	5580-month	5592-month	5604-month	5616-month	5628-month	5640-month	5652-month	5664-month	5676-month	5688-month	5700-month	5712-month	5724-month	5736-month	5748-month	5760-month	5772-month	5784-month	5796-month	5808-month	5820-month	5832-month	5844-month	5856-month	5868-month	5880-month	5892-month	5904-month	5916-month	5928-month	5940-month	5952-month	5964-month	5976-month	5988-month	6000-month	6012-month	6024-month	6036-month	6048-month	6060-month	6072-month	6084-month	6096-month	6108-month	6120-month	6132-month	6144-month	6156-month	6168-month	6180-month	6192-month	6204-month	6216-month	6228-month	6240-month	6252-month	6264-month	6276-month	6288-month	6300-month	6312-month	6324-month	6336-month	6348-month	6360-month	6372-month	6384-month	6396-month	6408-month	6420-month	6432-month	6444-month	6456-month	6468-month	6480-month	6492-month	6504-month	6516-month	6528-month	6540-month	6552-month	6564-month	6576-month	6588-month	6600-month	6612-month	6624-month	6636-month	6648-month	6660-month	6672-month	6684-month	6696-month	6708-month	6720-month	6732-month	6744-month	6756-month	6768-month	6780-month	6792-month	6804-month	6816-month	6828-month	6840-month	6852-month	6864-month	6876-month	6888-month	6900-month	6912-month	6924-month	6936-month	6948-month	6960-month	6972-month	6984-month	6996-month	7008-month	7020-month	7032-month	7044-month	7056-month	7068-month	7080-month	7092-month	7104-month	7116-month	7128-month	7140-month	7152-month	7164-month	7176-month	7188-month	7200-month	7212-month	7224-month	7236-month	7248-month	7260-month	7272-month	7284-month	7296-month	7308-month	7320-month	7332-month	7344-month	7356-month	7368-month	7380-month	7392-month	7404-month	7416-month	7428-month	7440-month	7452-month	7464-month	7476-month	7488-month	7500-month	7512-month	7524-month	7536-month	7548-month	7560-month	7572-month	7584-month	7596-month	7608-month	7620-month	7632-month	7644-month	7656-month	7668-month	7680-month	7692-month	7704-month	7716-month	7728-month	7740-month	7752-month	7764-month	7776-month	7788-month	7800-month	7812-month	7824-month	7836-month	7848-month	7860-month	7872-month	7884-month	7896-month	7908-month	7920-month	7932-month	7944-month	7956-month	7968-month	7980-month	7992-month	8004-month	8016-month	8028-month	8040-month	8052-month	8064-month	8076-month	8088-month	8100-month	8112-month	8124-month	8136-month	8148-month	8160-month	8172-month	8184-month	8196-month	8208-month	8220-month	8232-month	8244-month	8256-month	8268-month	8280-month	8292-month	8304-month	8316-month	8328-month	8340-month	8352-month	8364-month	8376-month	8388-month	8400-month	8412-month	8424-month	8436-month	8448-month	8460-month	8472-month	8484-month	8496-month	8508-month	8520-month	8532-month	8544-month	8556-month	8568-month	8580-month	8592-month	8604-month	8616-month	8628-month	8640-month	8652-month	8664-month	8676-month	8688-month	8700-month	8712-month	8724-month	8736-month	8748-month	8760-month	8772-month	8784-month	8796-month	8808-month	8820-month	8832-month	8844-month	8856-month	8868-month	8880-month	8892-month	8904-month	8916-month	8928-month	8940-month	8952-month	8964-month	8976-month	8988-month	9000-month	9012-month	9024-month	9036-month	9048-month	9060-month	9072-month	9084-month	9096-month	9108-month	9120-month	9132-month	9144-month	9156-month	9168-month	9180-month	9192-month	9204-month	9216-month	9228-month	9240-month	9252-month	9264-month	9276-month	9288-month	9300-month	9312-month	9324-month	9336-month	9348-month	9360-month	9372-month	9384-month	9396-month	9408-month	9420-month	9432-month	9444-month	9456-month	9468-month	9480-month	9492-month	9504-month	9516-month	9528-month	9540-month	9552-month	9564-month	9576-month	9588-month	9600-month	9612-month	9624-month	9636-month	9648-month	9660-month	9672-month	9684-month	9696-month	9708-month	9720-month	9732-month	9744-month	9756-month	9768-month	9780-month	9792-month	9804-month	9816-month	9828-month	9840-month	9852-month	9864-month	9876-month	9888-month	9900-month	9912-month	9924-month	9936-month	9948-month	9960-month	9972-month	9984-month	9996-month	10008-month	10020-month	10032-month	10044-month	10056-month	10068-month	10080-month	10092-month	10104-month	10116-month	10128-month	10140-month	10152-month	10164-month	10176-month	10188-month	10200-month	10212-month	10224-month	10236-month	10248-month	10260-month	10272-month	10284-month	10296-month	10308-month	10320-month	10332-month	10344-month	10356-month	10368-month	10380-month	10392-month	10404-month	10416-month	10428-month	10440-month	10452-month	10464-month	10476-month	10488-month	10500-month	10512-month	10524-month	10536-month	10548-month	10560-month	10572-month	10584-month	10596-month	10608-month	10620-month	10632-month	10644-month	10656-month	10668-month	10680-month	10692-month	10704-month	10716-month	10728-month	10740-month	10752-month	10764-month	10776-month	10788-month	10800-month	10812-month	10824-month	10836-month	10848-month	10860-month	10872-month	10884-month	10896-month	10908-month	10920-month	10932-month	10944-month	10956-month	10968-month	10980-month	10992-month	11004-month	11016-month	11028-month	11040-month	11052-month	11064-month	11076-month	11088-month	11100-month	11112-month	11124-month	11136-month	11148-month	11160-month	11172-month	11184-month	11196-month	11208-month	11220-month	11232-month	11244-month	11256-month	11268-month	11280-month	11292-month	11304-month	11316-month	11328-month	11340-month	11352-month	11364-month	11376-month	11388-month	11400-month	11412-month	11424-month	11436-month	11448-month	11460-month	11472-month	11484-month	11496-month	11508-month	11520-month	11532-month	11544-month	11556-month	11568-month	11580-month	11592-month	11604-month	11616-month	11628-month	11640-month	11652-month	11664-month	11676-month	11688-month	11700-month	11712-month	11724-month	11736-month	11748-month	11760-month	11772-month	11784-month	11796-month	11808-month	11820-month	11832-month	11844-month	11856-month	11868-month	11880-month	11892-month	11904-month	11916-month	11928-month	11940-month	11952-month	11964-month	11976-month	11988-month	12000-month	12012-month	12024-month	12036-month	12048-month	12060-month	12072-month	12084-month	12096-month	12108-month	12120-month	12132-month	12144-month	12156-month	12168-month	12180-month	12192-month	12204-month	12216-month	12228-month	12240-month	12252-month	12264-month	12276-month	12288-month	12300-month	12312-month	12324-month	12336-month	12348-month	12360-month	12372-month	12384-month	12396-month	12408-month	12420-month	12432-month	12444-month	12456-month	12468-month	12480-month	12492-month	12504-month	12516-month	12528-month	12540-month	12552-month	12564-month	12576-month	12588-month	12600-month	12612-month	12624-month	12636-month	12648-month	12660-month	12672-month	12684-month	12696-month	12708-month	12720-month	12732-month	12744-month	12756-month	12768-month	12780-month	12792-month	12804-month	12816-month	12828-month	12840-month	12852-month	12864-month	12876-month	12888-month	12900-month	12912-month	12924-month	12936-month	12948-month	12960-month	12972-month	12984-month	12996-month	13008-month	13020-month	13032-month	13044-month	13056-month	13068-month	13080-month	13092-month	13104-month	13116-month	13128-month	13140-month	13152-month	13164-month	13176-month	13188-month	13200-month	13212-month	13224-month	13236-month	13248-month	13260-month	13272-month	13284-month	13296-month	13308-month	13320-month	13332-month	13344-month	13356-month	13368-month	13380-month	13392-month	13404-month	13416-month	13428-month	13440-month	13452-month	13464-month	13476-month	13488-month	13500-month	13512-month	13524-month	13536-month	13548-month	13560-month	13572-month	13584-month	13596-month	13608-month	13620-month	13632-month	13644-month	13656-month	13668-month	13680-month	13692-month	13704-month	13716-month	13728-month	13740-month	13752-month	13764-month	13776-month	13788-month	13800-month	13812-month	13824-month	13836-month	13848-month	13860-month	13872-month	13884-month	13896-month	13908-month	13920-month	13932-month	13944-month	13956-month	13968-month	13980-month	13992-month	14004-month	14016-month	14028-month	14040-month	14052-month	14064-month	14076-month	14088-month	14100-month	14112-month	14124-month	14136-month	14148-month	14160-month	14172-month	14184-month	14196-month	14208-month	14220-month	14232-month	14244-month	14256-month	

Tuesday's 4 p.m.
The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press

[illegible][illegible]

Tuesday's 4 p.m. Close

Country	Year	Value	Unit
Algeria	1980	1.00	1000
Algeria	1981	1.00	1000
Algeria	1982	1.00	1000
Algeria	1983	1.00	1000
Algeria	1984	1.00	1000
Algeria	1985	1.00	1000
Algeria	1986	1.00	1000
Algeria	1987	1.00	1000
Algeria	1988	1.00	1000
Algeria	1989	1.00	1000
Algeria	1990	1.00	1000
Algeria	1991	1.00	1000
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Algeria	2013	1.00	1000
Algeria	2014	1.00	1000
Algeria	2015	1.00	1000
Algeria	2016	1.00	1000
Algeria	2017	1.00	1000
Algeria	2018	1.00	1000
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Algeria	2020	1.00	1000
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Algeria	2031	1.00	1000
Algeria	2032	1.00	1000
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Algeria	2040	1.00	1000
Algeria	2041	1.00	1000
Algeria	2042	1.00	1000
Algeria	2043	1.00	1000
Algeria	2044	1.00	1000
Algeria	2045	1.00	1000
Algeria	2046	1.00	1000
Algeria	2047	1.00	1000
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Algeria	2049	1.00	1000
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Algeria	2055	1.00	1000
Algeria	2056	1.00	1000
Algeria	2057	1.00	1000
Algeria	2058	1.00	1000
Algeria	2059	1.00	1000
Algeria	2060	1.00	1000
Algeria	2061	1.00	1000
Algeria	2062	1.00	1000
Algeria	2063	1.00	1000
Algeria	2064	1.00	1000
Algeria	2065	1.00	1000
Algeria	2066	1.00	1000
Algeria	2067	1.00	1000

Thursday

HEALTH/SCIENCE

With a wide range of topics from technology to space exploration, from recent medical discoveries to how the human brain functions, this in-depth feature brings up-to-date information on scientific and physical developments in the intriguing worlds of health and science.

Every Thursday in the International Herald Tribune.

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PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
THE WORLD'S DAILY NEWSPAPER

SAFRA REPUBLIC HOLDINGS S.A.
Luxembourg

Value Number 595.113
Dividend Payment

At the Annual General Meeting of Shareholders held in Luxembourg on May 10, 1995, it was resolved that a dividend of US\$ 3.25 per common share be payable for the year 1994. The dividend in respect of bearer shares will be payable from May 31, 1995 upon surrender of coupon No. 7 at the counters of the Company's paying agents.

Republic National Bank of New York (Suisse) S.A., Geneva
Republic National Bank of New York (Luxembourg) S.A., Luxembourg
Republic National Bank of New York, London
Union Bank of Switzerland, Zurich
Union Bank of Switzerland, Luxembourg
Swiss Bank Corporation, Basel
Credit Suisse, Zurich

NOTICE TO SHAREHOLDERS
of
BSS UNIVERSAL FUND SICAV
16, Boulevard Royal
L-2449 Luxembourg
R.C. Luxembourg B 32967

BSS Universal Fund Advisory Company S.A. (the Advisor) has approached the Management of the SICAV with the request to increase the advisory fees paid for its services. In its application the Advisor stated that to perform its duties to the satisfaction of the shareholders, an ever increasing number of companies and markets, often emerging, needed to be monitored for a possible and timely investment of part of the fund's assets at considerable costs to the Advisor. It pointed out further that the suggested fees are still quite competitive.

The Board of Directors of the SICAV has approved this request on May 5, 1995 and decided to raise the advisory fee of the following sub-funds:

- Global Equities, Europe, Japan and North America from 0.90% to 1.00% per annum.

- Far East from 0.90% to 1.50% per annum.

- Asia from 1.00% to 1.50% per annum.

- Global Bonds USD and Global Bonds FRF from 0.60% to 0.70% per annum, based on the quarterly average net assets. This new tariff will be applicable as from July 1st, 1995. The advisory fee of the other sub-funds not mentioned here will not be increased.

The shareholders of above mentioned Sub-Funds have the possibility either to:

- redeem their shares at net asset value or

- to switch into any other sub-fund of the BSS UNIVERSAL FUND SICAV without any expenses during a one month period after this publication, to the exception of the Latin America Sub-Fund. For the later a fee of 1.50% in its favour will be due as usual.

THE BOARD OF DIRECTORS

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Steelmakers Face Another Crunch

Small Mills and New Methods Challenge Big Firms

By John Holusha
New York Times Service

NEW YORK — The American steel industry, which was transformed by the growth of minimills in the 1980s, is again undergoing a wrenching change.

This time, two forces are at work. A second generation of minimills — small, highly efficient factories that use scrap instead of iron ore — is springing up to produce sheet steel, one of the last bastions of traditional steelmaking — and companies of all sizes are experimenting with new technologies to simplify the manufacturing process.

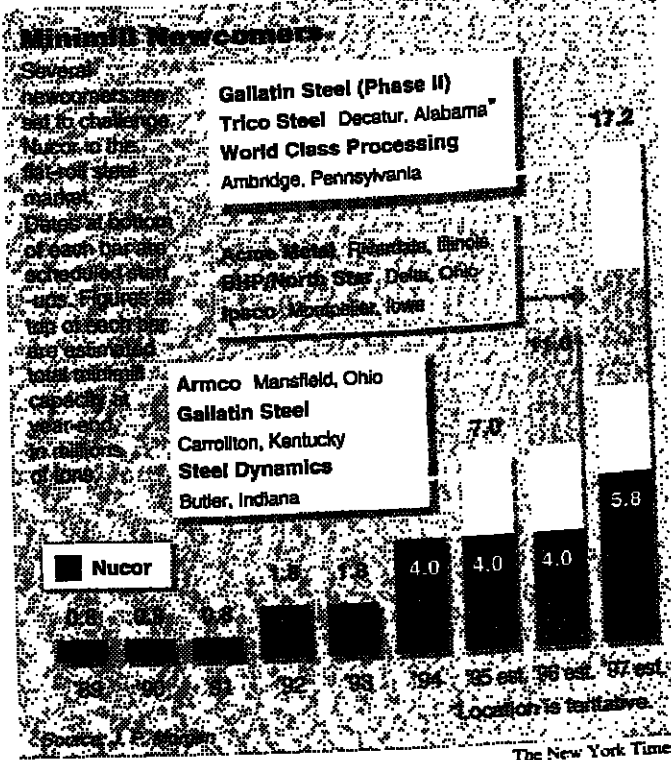
The result is likely to be good news for U.S. consumers, as cheap steel limits price increases on products from automobiles to home appliances. The country's trade balance should benefit, too, as imports become less competitive.

But the industry itself faces a potential bloodbath. The rush of competition might not only shut some aging mills but also threaten some thinly capitalized new entrants.

"Some of these guys will be coming in with limited product lines and a raw materials shortage," said Richard Wardrop, president of AK Steel, a traditional steelmaker and a unit of AK Steel Holding Corp. "Within a few years, some of them are going belly up."

The minimills, pioneered by Nucor Corp. of Charlotte, North Carolina, drove established companies such as U.S. Steel Corp. and Bethlehem Steel Corp. mostly out of the business of making construction bars and beams in the 1980s.

In 1989, Nucor burst into the sheet-steel business with a new mill in Crawfordsville, Indiana.



The company, which has grown into America's fourth-biggest steel producer, has since expanded production at that site, built a second sheet-steel mill and announced plans for a third.

Its success has prompted a wave of imitators. Eight companies or groups, including start-ups such as Steel Dynamics Inc. and established giants such as LTV Steel Co., British Steel PLC and Broken Hill Pty. of Australia, have announced plans for sheet-steel minimills in the South or Midwest.

Industry analysts said most of the new minimills will be non-union, allowing them to hire inexpensive workers and keep production costs low.

As competitors enter the market, some minimills are experimenting with processes that could revolutionize the \$30 billion American steel industry. Fearing a shortage of high-quality scrap, they are developing substitutes that are made from iron ore without the expensive blast furnaces, coke ovens and treatment furnaces used at traditional mills.

Nucor, for example, has built a pilot plant in Trinidad to convert iron ore, which is iron oxide, into iron carbide. The iron carbide can be added to an electric furnace as a substitute for scrap. Once the first plant — designed to produce 1,200 tons of iron carbide a day — is in operation, Nucor plans to build four more of equal size to supply its own plants and to sell to other companies.

The company has also formed a venture with U.S. Steel Group, a unit of USX Corp., and with Praxair Inc. to convert the iron carbide directly into steel, saving large amounts of energy and bypassing intermediate steps. F. Kenneth Iverson, chairman of Nu-

cor, estimated the process could cut \$30 to \$50 a ton from the price of a product that sells for \$270 a ton during economic downturns.

Other companies are experimenting with casting steel directly from liquid metal into thin strips, which would eliminate the need for the massive rolling machines that squeeze and elongate slabs of steel into coils of thin sheet steel.

Steel analysts said all the recent activity is building to an inevitable outcome: overproduction, leading to an industry shakeout. If all the new mills announced are built, they would add at least 15 million tons of steel production by 2000 to a market that consumes about 60 million tons of sheet steel a year in good economic times but shrinks to about 50 million tons a year at low points in the cycle.

"It seems as though a light bulb turned on over everybody's head at once," said Keith E. Busse, president of Steel Dynamics in Butler, Indiana, which is set to start operation this year. He said supply was likely to overwhelm demand in a few years, with the result that some projects would be scrapped and some older mills closed.

Mr. Busse was the manager

of Nucor's Crawfordsville plant during its startup. The success of that operation gave him the standing to raise money for a mill of his own.

According to Michael Gambardella, an analyst with J.P. Morgan & Co., the Crawfordsville plant "redefined" the sheet-steel business, cutting the capital cost of building and equipping a mill by 85 percent, to \$250 for each ton of annual production, from \$1,700 in a traditional mill.

The end of this century could see a rerun of the late 1970s and the 1980s, when competition from minimills and imports forced traditional American steelmakers to close mills that had accounted for 35 percent of the industry's capacity. Employment in the industry plummeted to 171,000 last year from 512,000 in 1980.

On the other hand, the new low-cost mills, aided by the weak dollar, should displace a lot of imports.

Peter F. Marcus, a metals analyst at Prime Webber Inc., estimated the price of a metric ton of steel is about \$500 in Germany and \$600 in Japan, compared with \$400 in the United States. He estimated that imports would drop to 24 million short tons (2,000 pounds) this year and to 17 million tons by 1997 from 30 million tons last year.

The minimills, however, are not likely to escape unscathed. As Nucor continues to expand from a base of economic strength, analysts say, some thinly financed minimills might be squeezed between low prices and rising raw-materials costs.

"I use 10 percent scrap, the minimills use 100 percent scrap," said Paul J. Wilhelm, president of U.S. Steel Group. "Who is going to be more affected by the price of scrap, which looks like it is going to stay very high?"

Still, if demand slackens, the integrated mills would be stuck with high fixed costs while the variable costs of the minimills, notably scrap, tend to decline.

Mr. Iverson of Nucor, who made his reputation as a builder of \$3 billion company on taking markets away from traditional integrated steel makers, sees them declining further. "There is going to be more shrinkage," he said. "There are still inefficient facilities left."

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May 1995

Herald Tribune

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Source: † VIVA Surveys '92/'93. * Reader Survey '94.

THE WORLD'S DAILY NEWSPAPER

In Rome For Business

ALL ROADS NO LONGER LEAD to the Eternal City set on the seven hills. Milan has far more economic clout, but Rome is still the cultural leader, an architectural treasure largely owned by the Italian state and the Vatican, the city's chief landlord. Some say the city is being ruined by too much traffic, too much pollution, too many tourists — too much of everything; others say that Rome is the world's most beautiful city. There is some truth in each view.

Rome is for the patient — the very patient. But as most foreign residents will tell you, the countless frustrations of daily life are a price worth paying for Rome's unique charm and inexhaustible interest.

Getting Around

Rome traffic is fierce and often gridlocked. There are four rush hours, because most shops and offices close for lunch and many people go home to eat. Being on time for an appointment means that you are up to half an hour late. One solution for the business visitor who wants to get around fast is to hire a guide who will know short cuts and understand parking rules. The hotel concierge can recommend a guide. Be sure to negotiate a price in advance.

Don't rent a car unless you know the city well. In any case, the heart of Rome is small enough for any point to be reached on foot within 15 minutes.

There are only two subway lines in the city, but they can be useful as they connect the main railroad station with downtown Piazza di Spagna and Piazza del Popolo and serve the Vatican neighborhood as well as the satellite city of EUR (Esposizione Universale Roma), seat of several ministries and state companies.

Rome has an extensive bus system that works quite well. One ticket, which must be purchased before boarding, takes you anywhere in the city with one transfer. Tickets can be bought at most *tabacchi*. There is also a ticket office in Largo Argentina, near Piazza Venezia.

Rome's fleet of taxis is often inadequate, and taxis are scarce at peak hours, during rainy weather and at shift changeover times (7:30 A.M., 2:30 P.M., and 10:00 P.M.). Romans do not wait in line for anything, so stand up for your rights if you are first in line at a taxi stand.

The city can be confusing at first because of the north-south meandering of the Tiber River. The Vatican and Saint Peter's, as well as the ancient quarter of Trastevere ("across the Tiber"), are on the west bank. Political and business Rome, the commercial and shopping areas, and the major hotels are on the east bank. One twist in the Tiber means that part of historic Rome on the east bank — the area around the Piazza Navona — juts out like a peninsula toward the Vatican.

The best way to fix the city's topography in your

mind is to divide the main, eastern part of the city into east and west of the Via del Corso, the main artery that runs from Piazza del Popolo in the north down to Piazza Venezia. Nearby are the Capitoline Hill, the Colosseum, and the ruins of the Forum. This is where Rome began.

Another way to understand the city is to view it from the Janiculum ridge above Trastevere. A great view can also be had from the gardens of the Villa Medici behind the Spanish Steps. Close by is the celebrated Via Veneto. The city, seeking to regain some of the glamour of the 1960s when movie stars flocked to the street's outdoor cafés, recently designated part of Via Veneto a pedestrian zone.

In a Word

Most Romans speak only Italian, apart from a smattering of English and French. The police are an exception.



as are business executives and staff at the top hotels. A pocket phrasebook helps immensely when you are on your own in public.

Wining & Dining

People who know Italian dishes only as they are served in other countries will have a pleasant surprise in Rome. To be sure, pasta is an essential part of lunch and dinner, but it comes in an amazing variety of forms. It is often a first course, with the main course consisting of meat or fish.

The Roman business executive likes to eat well, even conspicuously so, with little regard for expense. Lunch starts around 1:00 P.M. and dinner around 9:00 P.M. The Roman is particularly anxious to have a good lunch, because breakfast is usually nothing but a cappuccino and a sweet croissant called a *cornetto*.

In theory, tips are included. In practice, most servers expect something on top. Leave an extra 5 percent on a restaurant check.

The following restaurants are all suitable for entertaining business associates.

Alberto Claria, Piazza San Cosimato 40. Tel.: 581-8668. Many connoisseurs rate this as the best restaurant in southern Italy. Specialties are fish and the choicest game and meats. Situated in the old quarter of Trastevere; outdoor eating in season. Very expensive.

Al Moro, Vicolo delle Bollette 13. Tel.: 678-3495. A Roman classic, just a stone's throw from the Trevi Fountain. Great food, but often crowded and noisy.

Bacaro, Via degli Spagnoli 27. Tel.: 686-4110. Near the Pantheon. Bacaro specializes in fish, much of it cooked *nouvelle cuisine* style. A superior selection of Italian wines.

Charles, Roof Garden d'Hotel Eden, Via Ludovico 49. Tel.: 474-3551. A favorite with politicians and businesspeople. Excellence of the food and service is rivaled by that of the ambience. Very expensive.

Dal Bolognese, Piazza del Popolo 1. Tel.: 361-1426. Wonderful view from the terrace of one of the world's handsomest squares. Serves one of Italy's greatest regional cuisines, that of Bologna. Good, thoughtful service.

Elefante Bianco, Via Aurora 19. Tel.: 489-03764. A natural for expense-account meals, with luxurious food and surroundings, but lacks imaginative touches.

Evangelista, Via della Zoccollette 11. Tel.: 687-5810. Traditional Roman cooking with elegant and innovative touches. Try the artichoke appetizer and the desserts.

Il Drappe, Vicolo del Malpasso 10. Tel.: 687-7365. Sardinian cuisine from enthusiasts who treat their island's superb produce with the respect and inventiveness it merits.

La Rosetta, Via della Rosetta 9. Tel.: 686-1002. Probably the city's top fish restaurant: the seafood and raw fish starters are famous. Very expensive.

Pianeta Terra, Via Arco del Monte 94. Tel.: 686-9893. The temple of Italian *nouvelle cuisine*. Elegant bar for pre-meal lubrication. Very expensive.

Relais de Jardin, Hotel Lord Byron, Via Giuseppe de Notaris 5. Tel.: 322-0404. Creative cuisine of the highest order. Out of the city center, but well worth the journey.

Sabatini, Piazza Santa Maria, Trastevere. Tel.: 582-2026. Another good fish restaurant. Delightful outdoor dining during the summer.

Toula, Via della Lupa 29. Tel.: 687-3750. Exceptionally fine cuisine, with waiters who read customers' minds. The English-style bar is cozy and intimate.

Calling Around

Country code: 39. City code: 6 (not needed within the city). The quality of service leaves much to be desired.

- Ambulance: 5510
- Doctor: 482-6741
- Highway emergencies: 116
- Hospitals: Salvatore Mundi (English-speaking): 588961 San Spirito: 68351
- Police: 113
- Police hot line: 212121
- Airport: 665951
- Internal flights: 5456
- Buses (Italian language): 4695
- Radio taxis: 3570/88177/4994
- Tourist office: 482-4078
- Trains: 4775

Excerpted from the "International Herald Tribune Guide to Europe" (third edition, NTC Publishing) by Alan Tiller and Roger Beardwood.

Business Traveler Services From ITT Sheraton

ITT SHERATON covers all the bases for the business traveler to Rome with its three very different hotels.

The ideal address for meetings is the Sheraton Roma Hotel and Conference Center, located in the EUR (Esposizione Universale Roma) suburb, the seat of several ministries and international companies. Only 15 kilometers from the Leonardo Da Vinci Airport, it awaits the business traveler with its Club Level Rooms and 20 meeting rooms, where up to 2,000 people can be accommodated at one time. The hotel has 634 rooms, including two presidential suites and 12 suites. Disabled facilities are available. A full check-in is possible in the hotel, and complimentary bus shuttles to and from the airport and the city operate daily. There are extensive sports and fitness facilities (including an outdoor pool) and two restaurants.

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To satisfy the hunger and thirst of its busy business travelers, ITT Sheraton offers restaurant service until 11 P.M. (last order) and room service on a 24-hour basis.

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ITT Sheraton makes early mornings better mornings. Complimentary coffee, tea and pastries are available one hour prior to the opening of the hotel restaurant.

The hotel is best known for its meeting facilities, which provide the ultimate in comfort and technology for meetings ranging in size from two to 2,000 participants.

Also in Rome are the renowned Hotel Excelsior and Le Grand Hotel, both members of "The Luxury Collection," an elite group of 48 internationally renowned hotels and resorts.

The elegant Excelsior, with a prestigious in-town address on the Via Veneto, has 327 rooms, 45 of them suites. Its Italian restaurant can provide diet and kosher food on advance request, and a concierge handles guests' every need. In-house services include a beauty salon, barber shop and baby-sitting. After meetings in one of the five available rooms (accommodating up to 1,000 at once),

business guests can relax in the piano bar.

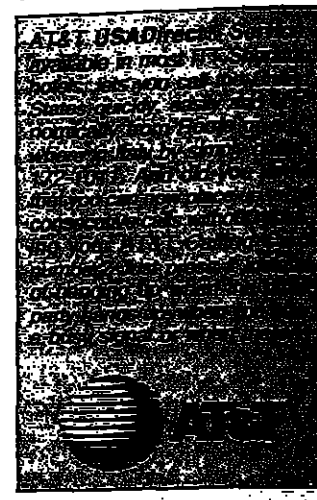
Le Grand Hotel, overlooking the Piazza dell'Esedra, is smaller but has even more meeting and reception rooms — 13, accommodating up to 700. The preferred address of dignitaries, its restaurant offers international cuisine, a buffet Monday through Friday and kosher food on advance request.

Sauna, massage and physiotherapy are available for health-conscious guests, as well as hairdressing salons, and baby-sitting and interpreter services.

Hotel Excelsior: Via Vittorio Veneto 125, 00187 Rome. Tel.: (39-6) 4708. Fax: (39-6) 482 6205.

Le Grand Hotel: Via Vittorio Emanuele Orlando 3, 00185 Rome. Tel.: (39-6) 4709. Fax: (39-6) 474 7307.

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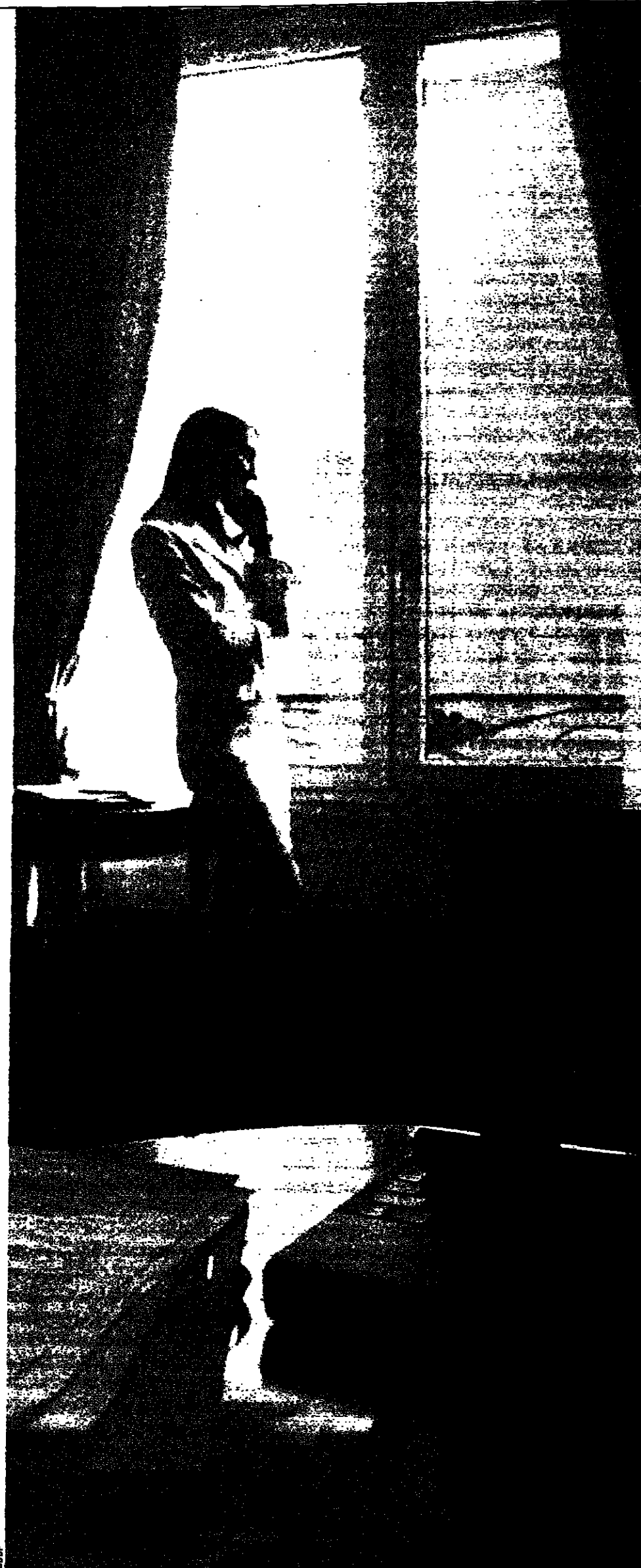
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SPORTS

A Pitcher's Grand Slam Helps Marlins Top Astros

The Associated Press

Chris Hammond made all pitchers proud. Forget that he had a five-run lead, and couldn't get through five innings to snare the victory. The Florida Marlins' left-hander hit a grand slam home run, the first one by a pitcher in nearly nine years.

It was one of a season-high 19 hits Florida got in a 9-7 victory over the Houston Astros Monday night, but it was a one-in-a-lifetime moment for Hammond.

"As soon as you hit it, it feels like a second set of lights come on," said Hammond, a lifetime .201 hitter with four homers in the majors.

He struggled to suppress a smile as he trotted home, broke into a grin in the dugout, then briefly stepped back onto the field when the crowd demanded a curtain call.

"It's probably the only curtain call I'll get my whole life," he said.

The last pitcher to hit a grand slam was Bob Forsch of St. Louis. That was off Pittsburgh's Mike Bielecki on Aug. 10, 1986.

The Marlins, who have the majors' lowest batting average at .234, got a five-for-five game from Terry Pendleton, while Alex Arias went four-for-four. Pendleton had three singles, a double and a triple to end a 3-for-26 slump and raise his batting average to .246.

Hammond's homer gave Florida a 4-2 lead in the second, and it was 8-3 in the fifth when he left the Astros, who have lost four straight on the road, closed to 8-7. But Pendleton's RBI triple in the eighth made it 9-7.

Padres 3, Mets 2: Melvin Nieves homered with two outs in the top of the 13th as San Diego handed New York its eighth loss in nine games.

The Padres took a 2-1 lead in the eighth on a homer by Steve Finley and Eddie Williams's

NL ROUNDUP

RBI single. The Mets tied it in the bottom of the inning on Jeff Kent's homer.

Cardinals 6, Rockies 5: Geromino Pena, just off the disabled list, singled home the winning run in the bottom of the 11th and St. Louis beat Colorado.

Pena, who also had an RBI single and a sacrifice fly, was playing for the first time since breaking his left shinbone on May 3.

The Cardinals, who had lost three straight, tied it in the eighth when Ray Lankford doubled with two outs, stole third and scored on a wild pitch. Colorado, which has lost 7 of 10, had gone ahead in the top of the inning on a single by John Vander Wal, who is 11 for 19 as a pinch-hitter this season.

Braves 2, Cubs 1: Tom Glavine pitched his first complete game since May 7, 1994, a five-hitter in Chicago, as Atlanta won for the 11th time in 14 games.

Glavine got 16 outs on ground balls, struck out six and walked one. The only run he allowed was Sammy Sosa's in seventh.

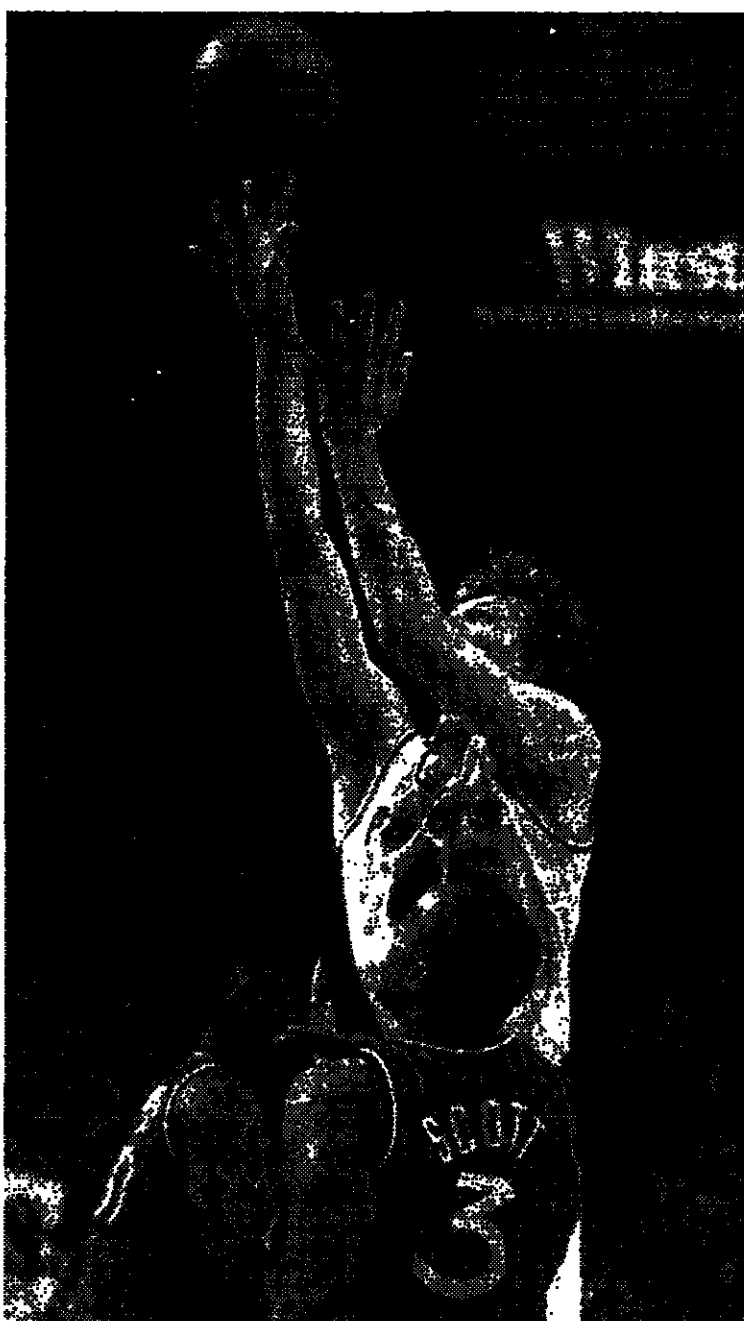
Marquis Grissom, whose homer in the seventh made it 2-0, had scored the other run in the first on an RBI-grounder by Chipper Jones.

Phillies 8, Dodgers 6: Jim Eisenreich had three hits and three RBIs and Tony Longmire got three hits and scored three runs as Philadelphia handed visiting Los Angeles its fourth straight loss.

Eisenreich homered, tripled and singled, while Longmire had a double and two singles.

Giants 11, Expos 6: San Francisco, which held a 5-0 lead in the seventh in Montreal, trailed by 6-5 entering the ninth and won with a big inning capped by Barry Bonds's three-run homer.

The Giants made it 6-6 on consecutive singles by Jeff Reed, Royce Clayton and pinch-hitter Mark Carreon, then got two runs on a hit batsman with the bases loaded and a wild pitch—it was their third run to score that way in the game—before Bonds homered.



Rik Smits went up, the shot went in, the game ended. Series tied.

Smits Drops a Bomb That Beats the Magic

By Mike Wise
New York Times Service

INDIANAPOLIS—The Indiana Pacers broke their huddle and walked onto the court with 1.3 seconds left in the game. Rik Smits envisioned each detail of the play. Come to the ball. Catch it. Fake. Shoot.

Virtual reality lacked one thing: the swish.

Which Smits added with his jump shot. Taken a few inches left of the free throw line and around the 7-foot, 1-inch Tree Rollins, it went in at the buzzer Monday and gave the Pacers a breathless, 94-93 victory over the Orlando Magic in Game 4 of the Eastern Conference final.

"I pictured everything before I went back out there, so no, I wasn't surprised I made it," said Smits. "I thought I had enough time to fake. He went for it. I shot. In essence, it's a whole new series."

So it was, the Pacers having tied the best-of-seven series at 2 each by outlasting the Magic in a dramatic ending, in which there were two lead changes in 5.2 seconds, three outlandish 3-pointers in the last 13.3 seconds and, ultimately, the shot by the Pacers' 7-4 center.

It was so implausible that Smits upstaged Reggie Miller.

Plus Anfernee Hardaway and Brian Shaw.

Shaw's 3-pointer from right of the top of key, with the clock showing 1:33 to play, put Orlando ahead by 90-89.

Miller, with a 3-pointer off a screen on the left wing, made it 92-90 with 5.2 seconds to go.

Hardaway took two dribbles to his left and fired in a 3-pointer over Haywoode Workman with 1.3 seconds left, putting the Magic up by 93-92.

Then came Smits. Before that, the Pacers had succeeded in putting Shaquille O'Neal in foul trouble for the second consecutive game. He fouled out with 1 minute, 27 seconds left,

14 seconds after Horace Grant had fouled out, and taking what was left of Orlando's inside game with him.

O'Neal got only 16 points in 30 minutes. He had missed all eight of his free throws, with four blanks in the last quarter. Frustrated all game, he appeared ready to break something, but the rims would not give.

Hardaway led the Magic with 26 points and thrust them back into the game in the third quarter after they fell behind by 12.

Miller got 23 points, making five of nine 3-pointers, and Smits added 21 points, 19 of which no one will remember.

"You think in 1.3 seconds you can make him change his shot and the time will run out," said Rollins, O'Neal's 39-year-old replacement. "But it didn't. He went around me and put it in."

Derrick McKey inbounded the ball at midcourt. With Byron Scott and Miller shadowed, Smits suddenly came up from the baseline to the free throw line. He caught the ball high, faked Rollins into the air, then went around him for the game-winning shot.

"I've never seen a wilder 28 seconds than that," said the Pacers' coach, Larry Brown.

He mentioned that reserve guard Vern Fleming had said to Smits during the timeout that he should try and draw Rollins off his feet with a fake.

Admitted Smits, "I don't remember that. All I remember was seeing the whole thing in my mind as I walked out on the floor. Flashing to the post, everything. I played the whole thing out."

The power of positive thinking had just sent this series back to Orlando all even.

"One-point-three seconds is a lifetime in this league," Miller said. "Our hearts are beating a little louder now. Where, if we were down 3-1, we probably wouldn't be heard."

NBA PLAYOFFS

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Parrish Hammers Old Teammates As Blue Jays' Homers Beat Tigers

The Associated Press

Lance Parrish is done leaving messages and offering subtle hints.

The 38-year-old catcher homered twice Monday night to lead the Toronto Blue Jays to a 5-4 victory over the visiting Detroit Tigers, the team that drafted him and for which he was the mainstay behind the plate from 1977 through 1986.

"Since I left Detroit, whenever I've come back as a visiting player, I've played well against them," he said. "But for some reason, the people in charge there don't seem to want me now. That doesn't bother me now because I'm happy to be here."

And the Blue Jays are happy to have him after acquiring him from Kansas City in the offseason. On Saturday, he hit a three-run homer to account for all the runs in a shutout victory over Cleveland. On Monday, he hit a two-run shot to make it 4-0 in the second, then homered again to make it 5-2 in the eighth.

"It's got to feel good for Lance to hit two homers against his former team," said the winning pitcher, David Cone. "I think he wanted to go to Detroit to finish his career."

Alex Gonzalez gave Toronto a 2-0 lead in the first with a two-run homer and Cone did the job

for eight innings, giving up two runs on seven hits.

But Toronto's bullpen again had problems as Darren Hall gave up a two-run homer and walked two batters in the eighth before Mike Timlin came on for his first save.

Indians 7, White Sox 6: Cleveland overcame a 6-0 deficit as Dave Winfield hit his first homer of the season and Tony Pena doubled in the winning run in the eighth. The three-run

AL ROUNDUP

shot was Winfield's 464th home run, breaking a tie with teammate Eddie Murray for 18th place on the career list.

Twins 7, Brewers 5: Pedro Munoz homered and got three RBIs to help hand Milwaukee its eighth straight loss at home, one short of the franchise record set in 1990. Minnesota came into the game having lost 17 of 23.

Red Sox 9, Athletics 6: Zane Smith got his first AL victory with a six-run fifth in which Mike MacFarlane hit a three-run homer, Tim Lincecum added a two-run double and John Valentin an RBI single, as visiting Boston took advantage of eight walks.

Terry Steinbach drove in three

runs for Oakland, giving him 20 RBIs in his last 14 games.

Mariners & Yankees 7: Rich Amaral, who entered the game in Seattle as a pinch-runner in the ninth, led off the bottom of the 12th with his first homer this year and seventh in the majors to beat New York.

The Mariners, who got two RBIs from rookie Marc Newfield, tied at 7 in the eighth when Alex Diaz singled, was sacrificed to second, stole third and scored on Edgar Martinez's infield single.

Royals 12, Rangers 0: Gary Gaetti hit a grand slam and a bases-empty homer, giving him six homers in five games, as Kansas City, playing at home, won its fifth straight with season highs for runs and hits (18).

Gaetti, who had six RBIs, also singled and doubled. Wally Joyner drove in four runs as the Royals stopped the Rangers' winning streak at four.

Angels 6, Orioles 5: Tim Salmon made it 4-4 in the third with his second major league grand slam, and J.T. Snow added a solo homer for an insurance run in the seventh.

Harold Baines's homer brought the Orioles to 6-5 in the eighth, but Lee Smith got the final three outs for his AL-leading 12th save in as many tries.

SCOREBOARD

1. 5-4—Mets (9), Hrs—Chicago, Thomas (6), Ventura (5), Cleveland, Whitehead (1).

2. 11-6—Astros (10), Hrs—Loyd (9) and Olier, W-Erickson, 2-4, L-McDonald, 1-2.

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Bomb
Magic

Ivanisevic Sent Packing Again

By Christopher Clarey
Special to the Herald Tribune

PARIS — Call it an upset if you must. Whenever a player ranked 142d in the world beats a player ranked fourth in a Grand Slam event, it has to be termed a surprise. But the ugly truth is that the temperamental Goran Ivanisevic gets upset nearly as frequently as he becomes upset, which is often.

Tuesday's beneficiary in the first round of the French Open was Mikael Tillstrom, a 24-year-old with a history of injuries who is far from a household name, even in his native Sweden.

"This is the worst loss I have in my life," Ivanisevic said. "Though he certainly qualifies as a connoisseur of bad losses, Ivanisevic's expert analysis is debatable because Tillstrom is far from a clay-court slouch. In March 1992, he stormed out of qualifying at age 20 to reach the quarterfinals in Monte Carlo. A year ago, he re-emerged from obscurity to reach the fourth round at the French Open, knocking off one big-serving seed, Richard Krajick, and scaring another: Pete Sampras.

Since then, chronic knee problems have kept him from making life miserable for others with bigger bank accounts. From last July to December, he did not even play a tournament, staying home in Gothenburg, undergoing therapy in a swimming pool and waiting for his knees to stop throbbing long enough to go for a run.

But Tillstrom is on the run again in Paris, where the relatively quick clay-court surface jibes well with his balanced game. The result: three victories in qualifying and, more importantly, a 7-5, 6-3, 6-4 victory over the fourth-seeded Ivanisevic in which he returned serve superbly and picked the Croatian's backhand to pieces.

"Some days Goran can play really well and then he just kills you," said Tillstrom, who had to cope with two long rain delays. "But if you get him in a close match, you can easily beat him on this surface."

Tillstrom had never played the Croatian before, but Ivanisevic's reputation for coming up small in big events clearly precedes him.

More ominously, in his last three outings at the Slams, he has failed to make it past the first round. And now Tillstrom has put an end to a fine clay-court run this spring, when Ivanisevic reached three semifinals and a final.

"If I have a chance right now, I would break all my rackets and stop playing tennis," he said immediately after the match. "But maybe after one hour, I'm not going to think like that. In these next 10 days, I am not going to touch the racket."

He wasn't the only player who had a bad day. Carsten Arriens, a qualifier from Germany with a reputation for surly behavior, was defaulted for throwing his racket and hitting a linesman after losing the second set to New Zealander Brett Steven.

Two women's seeds lost by

more conventional means on a rainy second day of play. Natasha Zvereva of Belarus, the 10th seed, went down in three sets to one of the rising young Romanians, Catalina Cristea. Mary Joe Fernandez of the United States, seeded 13th, lost more quickly to Paola Suarez of Argentina, 6-4, 6-3.

Not long ago that would have sent shock waves through the tournament, but since narrowly losing the French Open final to Stefan Graf in 1993, the slender and flat-stroking Fernandez has been hit by illness after illness. First came endometriosis, a gynecological disorder. More recently, she has suffered from flu and pneumonia.

"It's frustrating more than discouraging," said Fernandez, clearly lacking in stamina. "Two years ago, I was playing the best tennis of my life."

Conchita Martinez, the defending Wimbledon champion, claims she is playing her best right now. And on Center Court, she provided proof, beating Sabine Hack of Germany, a quarterfinalist here last year, by 6-0, 6-0 in 44 minutes.

Also impressive were Mary Pierce, an easy winner over Nicole Bradette of Australia; Boris Becker, a straight-set winner over a good claycourter, Javier Frana; and Stefan Edberg.

Edberg is unseeded here for the first time in 10 years, but he was devastating in his straight-set victory over Fabrice Santoro of France: a player who beat him easily earlier this spring.

As expected, Sampras, the second seed, had anything but an easy time with Gilbert Schaller. But after losing the first set in a tiebreaker, Sampras pulled his shaky baseline game together and won the second, 6-4. When play was suspended because of darkness, he was leading the Austrian by 3-1 in the third.

The Davis Cup semifinal between Russia and Germany will be held in Moscow, despite Russia's wish to stage it in Black Sea resort of Sochi, the ITF said Tuesday.

An ITF spokesman said the Russians had accepted the decision after receiving a letter of explanation.

"If they want to lay a clay court, we will give them any help they need," the ITF said.



George Laupepe, breaking through Argentina's defense, turned the match around.

What They Really Need Is a Round Ball

International Herald Tribune

LONDON — Are they running with the wrong ball in South Africa? The vibes from Cape Town promote sport — apartheid's tool for too many wretched years — as a symbol of change, a force toward togetherness. And the Mandela government rightly grasped the first opportunity that came its way to host an event such as the Rugby World Cup.

Whatever color we are, whatever code we pursue, we can follow the president's "rainbow" message. But, away from Newlands stadium, we notice empty seats at the games, and this, in a country of 40 million people reportedly so euphoric, invites questions.

Is the ball the right shape? The oval rugby ball has passed, for four decades, exclusively through Afrikaner hands, white hands. Nelson Mandela, in common with the four-fifths of the populace who are non-whites, preferred soccer.

Now it would be idiotic to insist that South Africa should have waited for soccer's World Cup. That, given the politics, the finances, and the need for a dozen first-class stadia as well as an infrastructure to accommodate and move millions of visiting fans, would not have been possible until the next century.

However, it is neither too soon, nor too late, for Mandela and Steve Tshwete, his minister for sport and recreation, to set the round ball rolling for the majority of South Africans. One call from the president to Brazil's sports minister would likely do the trick. Brazil, the world champion of soccer, also happens to be in a class of its own as a champion of multiracial expression on the playing field. Its sports minister, none other than Pelé, has few heroes but Nelson Mandela is certainly one of them.

Rob Hughes

Think of the lift to people in the townships, think of the pride and the sense of belonging a visit by Brazil's team would bring. The match would not advance the housing program, or solve the need for schools and hospitals, but in the deprived masses it might light a spark of pride. Soccer, no matter how scintillating the rugby over the next few weeks, would be something for them.

And why stop at Brazil? Next, call the Netherlands. Call Ajax, the new conqueror of Europe.

Last Wednesday, as Mandela prepared his speech to the world (and as he spoke of his disappointment that the Springbok team is all white), the Amsterdam team decried Al Milan in the Champions' Cup final. Ajax has as many blacks as whites. Its dressing room after the big match in Vienna flowed with champagne being drunk by players who look too boyish for alcohol.

Patrick Kluivert, for example, young, gifted and black, he scored the only goal of the final. And got the ball from Frank Rijkaard. They are two of a kind. Both Amsterdammers, both of Surinam stock. Kluivert, 18, is on the threshold of a brilliant career. Rijkaard, 32, is retiring.

They provide an insight into the generational game that has revived Ajax. For obvious reasons, Rijkaard rather than Johan Cruyff has been the catalyst for recruiting talented black youngsters to Ajax. Kluivert got not only the pass but his inspiration from this man. Kluivert was 7 when he joined the Ajax training school. His European Cup medal will be kept beside a photograph of himself as a mascot for the team, taken on the pitch by Rijkaard.

The story turns full circle. Not only for Kluivert but for Edgar Davids, for Clarence Seedorf, for other black Amsterdam youths whose triumph will probably lead them away to the money pot of Italian clubs.

Rijkaard did that. He won two European Cup medals with Milan before returning to pay his dues to Ajax. Now, as the team's coach, Louis van Gaal, contemplates who he can sell to perpetuate the youth plan and to help pay for the new Ajax wonder-stadium, Rijkaard leaves with a plea: "Not Kluivert, not yet. He is too young to go to Italy, he will develop better by staying with Ajax."

What will he be like. But do you detect a parallel between the stories of Ajax and Springbok rugby?

A large element to the freedom of movement within Ajax's success has roots in the former Dutch colony in South Africa, now called Surinam. Once a slave colony, the Afrikaners who ruled South Africa, and whose game is rugged, also descend from Dutch settlers. They might find, once the profits from this World Cup are channeled down to former no-go areas of their country, that blacks pass the ball around at least as well as they have done. For the joy of sport, the fulfillment of it, is that we are all brothers under the skin.

THOSE PUSHING RUGBY must first prize the round ball of the overwhelming majority of black kids. Their cause will be helped by the sight of Jonah Lomu, quite the most thrilling physical specimen of the Rugby World Cup thus far, who is of Tongan extraction. Nevertheless, there are a score of South Africans, black and white, chasing the rainbow of soccer rewards abroad.

Lucas Radebe is an example. Originally from Bophuthatswana, then of Soweto's Kaiser Chiefs, he now belongs to Leeds United in England. So why shouldn't England, the mother country of soccer, also send a team to play a mini-tournament in South Africa. Just as Ruud Gullit, another Dutch-Surinam player, pledged himself to freeing Nelson Mandela from Robben Island, so there are like spirits in England who would leap at a request to play for a new non-racial ideal.

What a tournament, what a party it could be: Brazil, Holland, England, South Africa and either Ghana or Nigeria, whose talents have already shown what Africa can achieve on the global stage. There are compelling reasons to make haste with such games. One is to recognize that, even while Mandela and Tshwete were captive, the predominantly black soccer association in South Africa defied apartheid's governors and welcomed whites among its teams.

Second, if it is left too long the Europeans might be left behind. Soccer is like a fever: it is indiscriminate, but it flourishes where the temperature is highest and resistance is weakest.

Rob Hughes is on the staff of The Times.

Scots Gain Quarterfinals As Hastings Sets Records

France, Samoa and South Africa Advance

Compiled by Our Staff From Dispatches

PRETORIA — Scotland's captain, Gavin Hastings, became the highest-scoring player in Rugby World Cup history Tuesday, kicking and running for 31 points to lead his side to a 41-5 victory over Tonga that clinched a quarterfinal berth.

It also put France, with its two victories in Pool D, in the final eight. The pool leaders face each other to decide first and second place on Saturday.

Hastings, who scored a tournament record 44 points against Ivory Coast in Scotland's record-smashing 89-0 opening romp, raised his career World Cup total to 198 points. That broke the record of 170 held by Grant Fox of New Zealand.

Hastings also set a record by kicking eight penalties in the match, breaking Fox's mark of six.

Hastings was 6 for 6 on penalties in the first half as Scotland grabbed an 18-5 lead, even though Tonga played more attacking rugby and got the only

try, scored by Ipolito Fenukitaia in the 14th minute.

But the Scots became more aggressive in the second half, getting tries from Hastings and Ian Morrison and several penalties for dirty play by Tonga.

France 54, Ivory Coast 18: In Rustenburg, flyhalf Thierry Lacroix led his team to an easy victory, but not before it conceded the African nation's first two tries of the tournament.

France, despite fielding several second-stringers, led by 28-3 at the half against the weakest team in the 16-nation tournament.

Lacroix scored a try in each half and kicked 10 points, but he also had a kick charged down that led to Ivory Coast's first try, by fly-half Aboubacar Camara.

Winger Aboubacar Soukama scored the other, after center and team captain Jean Sathioq had intercepted near his own line.

Western Samoa 32, Argentina 26: In East London, two late tries and 17 points from Darren Kellert, kicking with the wind in the second half, put the Samoans in the quarterfinals of a second straight World Cup.

They trailed by 10 points when, with five minutes left, George Laupepe dove over after a brilliant run by Junior Amaro. That was followed by Pat Lam's try in the final minutes.

Lam, acting captain for the match in place of Peter Fataleloa, said his players tried to neutralize the powerful Argentine front line by throwing themselves down in front of the surging forwards.

"We got a lot of injuries from the guys doing that," he said. "I was really glad when it was over."

Kellert was one of those hurt, dislocating a shoulder that will likely keep him out of the final pool match against England. Tighthead prop George Latu, whose head was cut in the early going, was replaced by Fataleloa in the second half.

Argentina's captain, Sebastian Salav, complained that an early whistle had ended the game with his players within meters of the Samoan line.

"Our team was going forward, and that could have changed the result," said Salav, who declined to comment on whether a formal complaint would be lodged.

Until the dramatic finish, the Samoans trailed by as many as 13 points. Kellert's kicking drew them within four in the second half, and Argentina was unable to stop a final onslaught led by the backs.

Argentina started strong, forcing a penalty try when the Samoans repeatedly collapsed the scrum near their line. Bringing in flyhalf Jose Cilley as a new kicker also paid off for the Pumas, who missed on six penalties in the six-point loss to England.

Cilley made the first conversion and added four penalties as the powerful Argentine forwards continually pressured the Samoans into mistakes.

Kellert, meanwhile, missed two penalties in the first half after Western Samoa won the toss and chose to play into a strong wind. The Samoans repeatedly got out of trouble with left-handing and long kicking, or by conceding penalties on dangerous Argentine attacks.

South Africa 24, Romania 8: In Cape Town, backrower Adrian Richter scored his first two test tries as disappointed South Africa scrambled to beat Romania in a Pool A match and gain the quarterfinals.

Richter, captaining the

World Cup Standings

FIRST ROUND

Team	W	D	L	PF	PA	Pts
South Africa	1	0	0	48	24	6
Canada	1	0	0	34	3	6
Romania	2	0	0	21	55	2
Australia	1	0	1	18	27	1

Team	W	D	L	PF	PA	Pts
West. Samoa	2	0	0	74	44	6
France	2	0	0	92	28	6
Argentina	2	0	0	44	56	2
Ireland	1	0	1	18	42	1

Team	W	D	L	PF	PA	Pts
New Zealand	1	0	0	74	10	3
Ireland	1	0	1	19	43	1
Japan	1	0	1	10	57	1

Team	W	D	L	PF	PA	Pts
Scotland	2	0	0	126	5	6
France	2	0	0	92	28	6
Tonga	2	0	0	15	79	2
Ivory Coast	2	0	0	18	142	2

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